# RG 104, Sequence 171

8NS-104-95-171, Miscellaneous Correspondence, working papers, reports, studies & photographs of the "U.S. Mint Site Selection," 1970 - 1979.

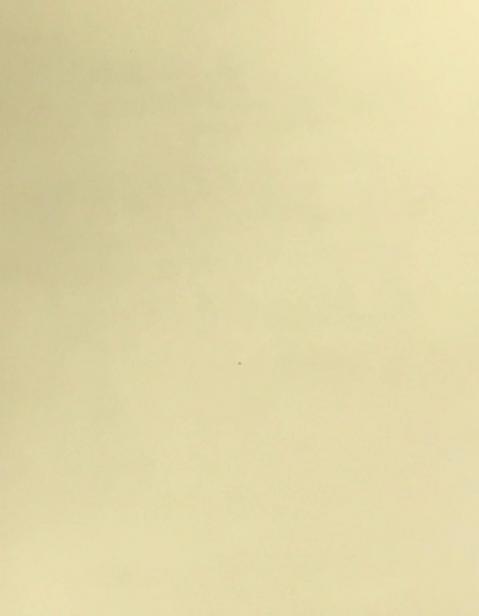
# UNITED STATES MINT

Denver Colorado

Architectural site plans for "New Denver Mint"
Misc. Correspondence, Working Papers, Reports,
Studies and Photographs for "US Mint Site Selection"
1970-1979

OLD FRC 104-89-0005

Comments on Freis



#### HEHORAHDUM

Tox

Mrs. Mary T. Brooks

Director, Bureau of the Mint

Prom

Warren F. Brecht

(initialed) W.F.B.

Assistant Secretary for Administration

Subject:

Correspondence concerning the new Denver Mint

Attached are letters from Mr. John A. Green, EPA Regional Administrator, Denver, and Mr. Lane Kirkpatrick, Technical Secretary, Colorado Air Pollution Control Commission, concerning the final revised environmental impact statement - Construction of New U.S. Mint, Denver, Also attached are copies of my replies to Messrs. Green and Kirkpatrick acknowledging their correspondence and advising them that the letters are being forwarded to you.

In acknowledging the letters I sought to provide preliminary responses to the central theme of each — in Mr. Green's case the question of the total number of parking spaces, in Mr. Kirkpatrick's recommendations that Mint officials meet with local Air Pollution Control Division staff — and expressed the expectation that future working contacts would be with Mint officials in Denver. I would appreciate being kept advised of any significant developments in these matters.

#### Attachments

co: Mr. Hausman

Mr. Arnold

Mr. Lonkay

Mr. Rhea

Dear Nr. Greens

This is to acknowledge your letter of July 11 concerning this Department's final revised environmental impact statement - Construction of New United States Mint, Denver, Colerado, filed on May 29, 1974 with the Council on Environmental Quality. I am forwarding your letter to the Director of the Bureau of the Mint, Mrs. Mary Brooks.

As you are no doubt aware, a decision has been arrived at, pending the necessary authorizing legislation, to construct the new Mint on the Clayton Trust Property site at Park Hill. In this connection I understand that the total number of parking spaces at the Park Hill location will be less than the 1,000 figure cited in your letter. I expect that you will be further informed in this natter by the responsible official at the Denver Nint.

Please be sesured that this Department remains aware of and will continue its efforts to comply with the provisions of Executive Order 11752 regarding the prevention, control and shatement of anvironmental Bollution at Federal facilities.

Sincerely yours,

(sgd) Warren F. Brecht

Warren F. Brecht Assistant Secretary for Administration

Mr. John A. Green Regional Administrator Region VIII, Environmental Protection Agency 1860 Lincoln Street Deawer, Colorado 80203

co: Hrs. Brooks

ir. Haussan

Hr. Arnold

Mr. Rhea

OMO:MAD:AVDiSilvestre:rs:8-5-74

Doar Hr. Kirkpatrick:

This is to acknowledge your letter of July 10 concerning this Department's final revised environmental impact statement - Construction of New United States Mint, Denver, Colorado, filed on May 29, 1974 with the Council on Mavironmental Quality. I am forwarding your letter to the Director of the Bureau of the Mint, Mrs. Mary Brooks,

he you are no doubt evere, a decision has been arrived at, pending the necessary authorizing legislation, to construct the new mint on the Clayton Trust Property site at Park Hill. In this connection I feel sure that Mrs. Brooks will agree with me on the merit of accepting your recommendation for Mint officials to meet with your hir Pollution Control Division staff regarding the development of the facilities at the Park Hill legation. I expect that you will be contacted in this matter by the responsible official at the Denver Mint.

Please be assured that this Department remains aware of its responsibilities and will continue its efforts to comply with applicable State and Pederal criteria concerning the prevention, control and abstances of environmental pollution at Treasury facilities.

Sincerely yours,

# (sgd) Warren F. Brecht.

Warren F. Brecht Assistant Secretary for Administration

Mr. Lame Kirkpatrick Technical Secretary Air Pollution Control Commission Colorado Department of Health 4210 East 11th Avenue Denver, Colorado 80220

co: Mrs. Brooks

Hr. Nausman

Mr. Arnold

Mr. Rhon

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# RECEIVED

JUL 1 1 1974

JUL 1 6 1974

OFFICE OF SUPERINTENDENT U. S. MINT AT DENVER

REF: AWE

Mr. Warren E. Brecht Assistant Secretary for Administration Department of the Treasury Washington, D. C. 20220

Dear Mr. Brecht:

The Environmental Protection Agency has reviewed the final environmental impact statement concerning the proposed new Denver Mint. In general, the final statement adequately addresses our concerns.

It is stated on page 24 of the final statement that "The solution of air quality problems in the Denver Air Quality Control Region is dependent upon changes in uses of transportation modes and improved automotive emission control technology, not upon the mint location." While it is true that there is a transportation control plan in the Denver Air Quality Control Region to deal with automotive-related air quality problems, the cumulative effect of many industrial site location decisions, such as the mint decision, may have an important bearing on whether the air quality transportation control plan is successful.

An additional regulation involving the review of indirect sources may affect the proposed facility. This regulation requires that within an SMSA, any new parking lot having 1000 or more spaces must be reviewed to determine if the associated motor vehicular emissions would cause the National Ambient Air Quality Standards to be violated. In the case of this facility a review would be required if the visitors parking lot and the employee parking lot combined exceeds 1000 spaces. EPA will be the indirect source review agency until the State of Colorado is prepared to assume this responsibility. The attached regulation (39 F.R. 7270) explains these indirect source requirements.

#### ENVIRONMENTAL PROTECTION AGENCY

Page 2 - Mr. Warren E. Brecht

Under E.O. 11752, your Department must exert leadership in the management of the new Denver mint, wherever it is located, to encourage your employees to utilize transportation modes such as buses, car pools, bicycles, etc., which support the transportation control plan.

We appreciate the opportunity to review this important document.

Sincerely yours,

ORIGINAL SIGNED BY
DONALD F. DUBORS

John A. Green

Regional Administrator



# DEPARTMENT OF THE TREASURY OFFICE OF MANAGEMENT & ORGANIZATION

Date August 2, 1974

To: Mr. Frank Rhea, Denver Mint

Frank:

Here are advance copies of letters from EPA/Denver and the Colorado Air Pollution Control Commission for your information.

These letters came in while I was on vacation and we are now preparing correspondence for Mr. Brecht to formally acknowledge their receipt and transmit them to Mrs. Brooks for follow-up.

I'11 forward copies of the formal correspondence when signed.

I've Also Discussed These LETTERS
By PHONE TODAY WITH YOUR SECRETARY WHO
CAN FILL YOU IN A BIT MORE -

TONY DISINESTRE



#### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

1860 LINCOLN STREET

DENVER. COLORADO 80203

JUL 1 1 1974

REF: AWE

Mr. Warren E. Brecht Assistant Secretary for Administration Department of the Treasury Washington, D. C. 20220

Dear Mr. Brecht:

The Environmental Protection Agency has reviewed the final environmental impact statement concerning the proposed new Denver Mint. In general, the final statement adequately addresses our concerns.

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Under E.O. 11752, your Department must exert leadership in the management of the new Denver mint, wherever it is located, to encourage your employees to utilize transportation modes such as buses, car pools, bicycles, etc., which support the transportation control plan.

We appreciate the opportunity to review this important document.

1 / hall

Regional Administrator

Sincerely yours,



13 POLLUTION CONTROL

what import, if one bles pose on relecting a site

here we are still

COLORADO DEPARTMENT OF HEALTH 4210 EAST 11TH AVENUE , DENVER COLORADO 80228

July 10,

Mr. Warren E. Brecht Assistant Secretary for Administration U. S. Department of the Treasury Washington, D. C. 20220

Dear Mr. Brecht:

I have reviewed the final revised environmental impact statement on the relocation of the U. S. Mint in Denver and, after conferring with Environmental Protection Agency and other Colorado Health Department officials, I offer the following comments:

The present impact statement goes to great length to discuss the relative air pollution impact of one site versus another. However, the critical concern is the ultimate impact of operating an enlarged mint at either site upon meeting ambient air quality standards in the air quality control region. In this regard, this impact statement is weak. It does not project the ultimate effects of generated vehicle miles traveled (V.M.T.) upon maintaining air quality standards in an area where significant reductions of motor vehicle emissions and traffic are estimated as being necessary to meet health standards. To assist in future impact analyses, the State Health Department is drafting an indirect source control regulation which will likely apply to Denver area construction which is scheduled to commence some time in 1975 and thereafter. This regulation will guide future developers to collect meaningful preconstruction background air quality and meteorological data and to use an air pollution predictive modeling technique as prescribed by this department. Since, in the statement, no air quality data were collected at either site and because predictive modeling techniques were not used, the air quality projections as a result of Mint relocation are, at best, very crude estimates. They do not really tell us whether or not ambient air standards will be exceeded or maintained as a result of Mint relocation. In fact, I would not be surprised to find that carbon monoxide and possibly even oxidant standards are already exceeded at one or both sites. This is further complicated by our estimation that the growth of motor vehicle traffic in the Denver area is of such a magnitude that the application of all practical emission and traffic controls may not prove adequate to meet health standards in Denver in the foreseeable future.

Based upon the V.M.T. estimates, as presented in the revised statement, I would now concur that the Park Hill site, as opposed to the Federal Center site, will generate fewer overall vehicle emissions affecting the widespread photochemical smog problem in the metropolitan area. However, a point made in my previous letter, and perhaps not properly presented, was that, compared to the Federal Center site, a worse carbon monoxide problem is likely to occur immediately around the

Warren E. Brecht
Asst. Secy. for Administration
U. S. Dept. of the Treasury
Wash., D.C. 20220
July 10, 1974
Page 2

Park Hill site because of higher anticipated localized traffic counts and a more frequent and stable air stagnation problem at the Park Hill site. It has been suggested, though, that a higher overall growth rate, hence traffic growth rate, exists at the Federal Center. This was not considered in the impact statement in regard to a possible carbon monoxide problem and could tip the balance on forecasting localized pollution levels.

Whatever site is chosen, I recommend that Mint officials meet with our Air Pollution Control Division staff and decide on gathering appropriate background air quality and meteorological data at the chosen building site, but prior to construction, with special emphasis on carbon monoxide monitoring. After the Mint is constructed, future monitoring could then determine the Mint's effect upon ambient air quality and the need, or lack thereof, for reducing V.M.T. by perhaps placing greater emphasis upon carpooling, additional mass transit service, and/or other air pollution control alternatives. If you concur, such a monitoring project should not delay construction.

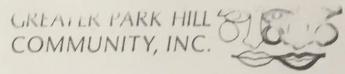
Mint relocation plans should make maximum utilization of traffic signalization techniques and parking facility designs which will eliminate traffic congestion and thus reduce carbon monoxide levels. The statement does not discuss whether or not hydrocarbon vapors from solvent usage and other stationary sources are expected. Since the Colorado Air Pollution Control Commission has recently adopted regulations controlling this pollutant, a meeting should be held with our Division staff to resolve this matter as soon as possible, as a permit application may be required.

The recent response of the Regional Transportation District (R.T.D.) indicates better mass transit alternatives to the Park Hill site than we had originally expected, which offsets some of our previous concerns. Nevertheless, many people may not consider the presently planned mass transit alternative to the Park Hill site as convenient because it then will mean for many a bus ride first, then a transfer to P.R.T. or other transit technology, and back to a final bus ride to the employment center. Conversely, if the Federal Center is chosen, more effective short-term transit alternatives should be sought to further minimize air quality impacts, if air quality data acquired, as recommended herein, justifies the need.

Sincerely,

Lane Kirkpatrick

Technical Secretary



for your information

August 2, 1974

The Honorable Mary T. Brooks
Director of the Bureau of the Mint
Department of the Treasury
Washington, D.C. 20220

Dear Mrs. Brooks:

The Board of Governors of Greater Park Hill Community, Inc. thanks the United States Mint and its director, Mary Brooks for their expression of confidence in Park Hill, in choosing our community for the location of the new Denver Mint. We welcome our new neighbor.

We look forward to working with you, both in making the new location congenial to the aims of the Mint and in maximizing the positive impact of the Mint on our community. If there is anything we can do to help with your move, please feel free to call on us.

Once again, welcome to Park Hill.

Sincerely,

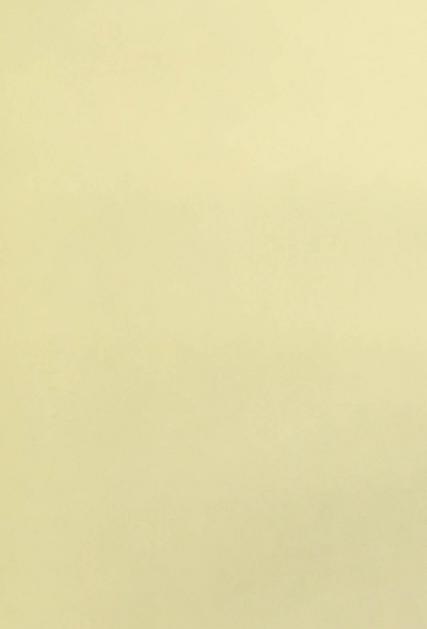
Louis L. Jones, Chairman

Greater Park Hill Community, Inc.

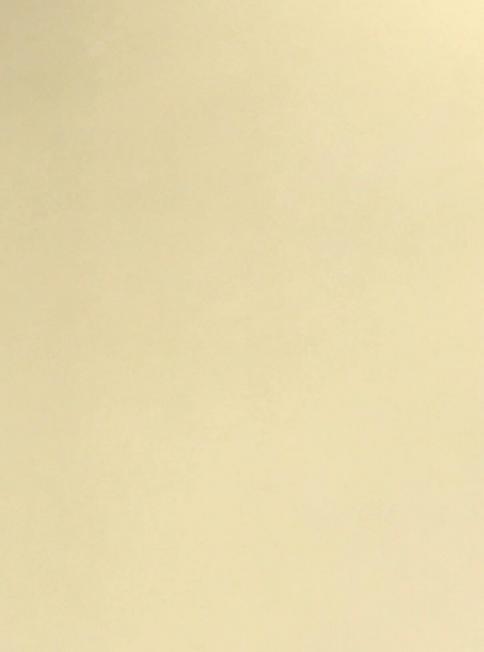
Board of Governors

Louis L. Jo

Comments on Freis



agreement Like File



August 12, 1974

Mr. Miklos L. Lonkay Legal Counsel Bureau of the Mint Warner Building Washington, D. C. 20220

Dear Mr. Lonkay:

Herewith are three (3) copies of the signed agreement with the City pertaining to the acquisition of the Park Hill site. Please make distribution to Frank MacDonald and the Office of General Counsel, presumably Elting Arnold. GSA is officially transmitting the copies to Mr. Brecht, which copy I assume will be turned over to Mr. Fredlund.

The City is almost finished with the detailed site survey discussed at the end of Section 1. Upon completion and certification of the survey, I will forward copies to you.

Sincerely,

Frank W. Rhea Facilities Project Manager

Enclosures

Agreement for Site for the New Mint
of the United States at Denver, Colorado

### KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT, entered in this	day of	1974,	
by and between the United States of America,	acting through the		
Administrator of General Services, under and pursuant to the powers and			
authority contained in the provisions of the Federal Property and Adminis-			
trative Services Act of 1949 (63 Stat. 377), as	amended, the Public	Buildings	
Act of 1959 (73 Stat. 479), as amended, and regulations and orders			
promulgated thereunder, hereinafter referred to as the "United States" and			
the City and County of Denver, Colorado, a M	Sunicipal Corporation,	by its	
Mayor, duly authorized, hereinafter referred to as the "City."			

### WITNESSETH THAT:

#### WHEREAS:

The Secretary of the Treasury is authorized, acting through the Administrator of General Services, to acquire suitable sites, design and

Transmitted to m Lookay on 6 6 @ 8 a.m.

Page 2. .

construct buildings for the Mint of the United States at Denver, pursuant to 31 U.S.C. 261 and 291;

The parties hereto desire to provide a new mint facility on a site which has the advantage of good location relative to the manufacture of coins, transportation, labor market and adequate utilities;

Appropriations have been made available, pursuant to Public Law 92-49 approved July 9, 1971, in the amount of \$1,500,000 for the purchase of a site for the new mint facility;

The City has agreed to assemble as a land package a site of approximately thirty-five (35) acres of land in the City and County of Denver as described in Schedule A, attached hereto and by reference made a part hereof; and to convey the above described site to the United States free and clear of all liens and encumbrances and prepared for conveyance in accordance with the terms and conditions of this Agreement;

The United States is prepared to acquire the site for the new mint facility;

NOW, THEREFORE, each of the parties hereto for and in consideration of the aforesaid premises and of the mutual obligations herein; hereby covenant and agree as follows:

Page 3.

#### ARTICLE I

#### GENERAL TERMS OF CONVEYANCE OF SITE

Sec. 1 - Assembly of Site

Subject to all the terms, conditions and covenants of this Agreement, the City agrees to acquire at its own expense title to approximately thirtyfive (35) acres of property owned by the Clayton Trust and generally described as follows: A parcel of land located in the northwest corner of the existing Park Hill Golf Course which coincides with the intersection of Colorado Boulevard and Smith Road, Denver, Colorado; the above described parcel of land shall be generally rectangular in configuration lying approximately 1,000 feet north and south along Colorado Boulevard and approximately 1,400 feet east and west along Smith Road, together with a square parcel of land to provide access to 40th Avenue at Colorado Boulevard in approximate dimension of 250 feet by 250 feet located along Colorado Boulevard immediately south of the above described 1,000 feet by 1,400 feet parcel; the City shall also provide the United States with right of access at all points along Colorado Boulevard and Smith Road; the City shall provide the necessary easements and/or licenses required for the United States to install a railroad right-of-way spur line from the existing Union Pacific Right-of-Way and continuing across Smith Road to the northeast corner property line of the site as described above; and convey said property, easements and/or licenses as described above and shown on Schedule A, attached hereto and by reference made a part

Page 4. ·

hereof, to the United States as the site for the new Denver Mint not later than September 15, 1975. The City agrees to furnish to the United States within forty-five (45) days after execution of this Agreement a survey of the above described parcels of land to be performed by a surveyor licensed by the State of Colorado; and upon approval by the parties hereto, said survey shall be attached to this Agreement as Schedule B and by reference become a part hereof.

# Sec. 2 - Sales and Purchase Price

The City will sell and convey the above described thirty-five (35) acre site to the United States; and the United States will purchase the site for an amount equal to the purchase price paid by the City, not to exceed one million five hundred thousand dollars (\$1,500,000). The sum of money provided for payment under this section shall constitute the United States' sole monetary obligation pertaining to the acquisition of the site prepared for conveyance in accordance with this Agreement, and performance of all duties of the City hereunder, which sum shall be paid by U.S. Treasury check drawn to the order of the City. The City is aware and acknowledges that the payment provided for herein may be substantially below the appriased fair market value of the site to be conveyed as provided by this Agreement, and thus knowingly waives any and all entitlements to the benefits provided for under Public Law 91-646, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and any amendments thereto (84 Stat. 1894, 42 U.S.C. 4601).

Page 5. .

#### Sec. 3 - Conveyance

The City shall convey to the United States fee simple title to the site described in Sec. 1 above, by Metes and Bounds Description, as formulated by the received survey, by delivery of a Warranty Deed upon payment as provided in Sec. 2 of this Agreement. The conveyance shall be made not later than September 15, 1975.

#### Sec. 4 - Satisfaction of Title and Title Evidence

The City shall deliver or cause to be delivered to the United States, at the earliest possible date, but not later than ninety (90) days after the execution of this Agreement, without cost, evidence showing title to the site in the City, which may consist of title abstracts, certificate of title or other evidence of title satisfactory to the Attorney General of the United States, or his designee.

Upon written notice by the United States of any title defects, the

City agrees to deliver or cause to be delivered at its expense, such deeds,
releases, or other title instruments as required by the United States to

cure such defects, so that the title conveyed to the United States is free
of all mineral rights, easements, restrictions, and leases, except as otherwise may be specifically waived by the United States or expressly
provided for in this Agreement.

All judgments, taxes, assessments, liens or encumbrances of any sort, existing or inchoate, shall be satisfied by the City at its expense prior to transfer of title to the United States.

Page 6. .

#### Sec. 5 - Removal, Abandonment or Relocation of Utilities

The United States shall have the right to remove, abandon or relocate any surface and/or subsurface utilities discovered upon the site described in Article I, Sec. 1 above.

## Sec. 6 - Use and Development of the Surrounding Area

The City hereby binds itself to make every effort to limit the use and development of the area surrounding the above described mint site to those in keeping with the dignity to be accorded to the special function of the new Mint of the United States at Denver, Colorado.

# Sec. 7 - Uniform Relocation Act Requirement

The City at its expense agrees to fulfill any and all obligations imposed on this project by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, and any amendments thereto, with regard to its acquisition of the site to be conveyed to the United States by acquiring property in accordance therewith and providing relocation payments and assistance thereunder. Such undertaking by the City shall be in accordance with Federal regulations and guidelines issued pursuant to the Relocation Act (41 CFR 101-18.3). In addition the City represents that it will, at its own expense, assure the complete fulfillment of any applicable requirements of the State of Colorado Relocation Assistance Act of 1971 and any regulations issued pursuant thereto. This provision requires delivery of the site without any occupants or right to occupancy of any part of said site or any buildings situated thereon.

#### Sec. 8 - Delivery of Deed and Possession

The City shall deliver the Deed and possession of the site to the United States on the date the purchase price is paid to the City, or on such other date as the parties hereto may otherwise mutually agree upon in writing. Payment of the purchase price and delivery of the Deed shall be at the principal offices of the City, or at such other place as is mutually satisfactory to the parties.

#### Sec. 9 - Arrangement for Utilities - Access to Site

The City shall, without expense to the United States, prior to completion of the new Denver Mint, provide or cause to be provided at the boundaries of the site at locations designated by the United States all necessary utilities (including, but not limited to, electric, gas, water, telephone, storm and sanitary sewers) required in the construction and occupancy of the new Denver Mint as of the time or times when such utilities shall be required for said construction or occupancy, except as may otherwise be agreed upon in writing between the parties hereto.

#### Sec. 10 - Survey and Subsoil Information - Access to Site

Within thirty (30) days from the date of this Agreement the City will grant and assure access to the site and all portions thereof or obtain and furnish permits for access thereto from those in possession so that the United States or its authorized representative or contractor may obtain topographic data, soil samples, and subsurface information where required for the preparation of drawings and specifications for the mint buildings to be erected on the site.

Page 8. .

Sec. 11 - Notice

Any notice or communication necessary under and pertaining to this Agreement by either party to the other shall be sufficiently given or delivered if dispatched by registered or certified mail, postage prepaid, return receipt requested, and

(a) In the case of a notice or communication to the United States the address is as follows:

Regional Administrator General Services Administration Denver Federal Center, Building 41 Denver, Colorado 80225

(b) In the case of a notice or communication to the City the address is as follows:

Mayor, City and County of Denver Room 350, City and County Building Denver, Colorado 80202

#### Sec. 12 - Nondiscrimination in Employment

GSA Form 1714 entitled "Equal Opportunity Clause" marked Schedule

E is attached hereto and made a part hereof. The terms "Contractor" and

"Contract" as used therein shall be deemed to mean the City and this

Agreement, respectively.

#### Sec. 13 - Counterparts

This Agreement is executed in four (4) counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

#### ARTICLE II

#### TERMINATION OF AGREEMENT

If the City does not acquire fee simple title to the site and complete transfer of title to the entire site to the United States prior to the date specified in Sec. 3, Article I, and perform all duties imposed upon it by the Agreement, prior to said date or the date otherwise provided for such duty or duties, as the case may be; this Agreement may be terminated at the election of the United States upon giving written notice therof to the City. In the event of such termination, neither party shall be under any liability whatsoever to the other party.

#### ARTICLE III

#### MISCELLANEOUS PROVISIONS

#### Sec. 1 - Modification of Agreement

No variation or departure from any other provisions of this Agreement shall be binding on the City or the United States unless agreed upon in writing by the City and United States.

#### Sec. 2 - Officials Not to Benefit

No member of or Delegate to the Congress, or Resident Commissione,, shall be admitted to any share or part of this Agreement or to any benefit that may arise thereupon, but this section shall not be construed to extend to this Agreement if made with a corporation for its general benefit.

#### Sec. 3 - Conflict of Interest

No official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such official or employee participate in any decision relating to this Agreement which affects his personal interest or the interests of any corporation, partnership, or association in which he is, directly or indirectly, interested. No official or employee of the City shall be personally liable to the United States or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the United States or a successor or on any obligations under the terms of this Agreement.

# Sec. 4 - Covenant Against Contingent Fees

The City warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees or bona fide established commercial selling agencies maintained by the City for the purpose of securing business. For breach or violation of this warranty, the United States shall have the right to declare this Agreement terminated, without liability or in its discretion to deduct from the purchase price the full amount of such commission, percentage, brokerage or contingent fee.

Page 11. .

# Sec. 5 - The City Represents That:

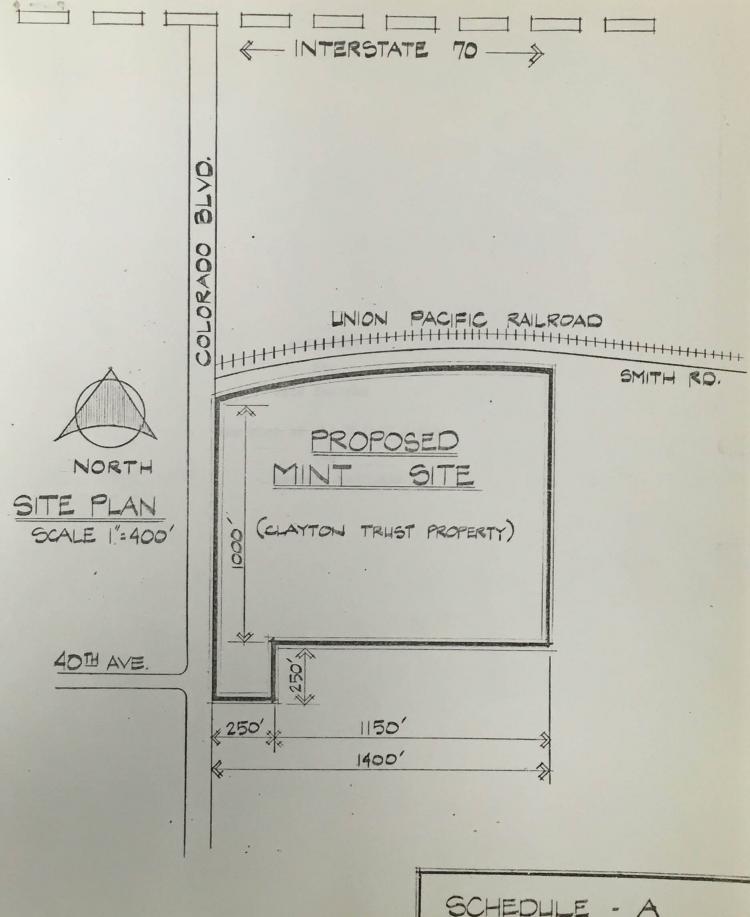
- (a) It has not employed or retained any company or person (other than a full-time bona fide employee working solely for the City) to solicit or secure this Agreement; and
- (b) It has not paid or agreed to pay any company or person any fee, commission, percentage, or brokerage fee, contingent upon or resulting from the making of this Agreement, and agrees to furnish information relating thereto as requested by the United States.

#### Sec. 6 - Examination of Records

The City agrees that the Comptroller General of the United States or any of his duly authorized representatives or GSA shall, until the expiration of three (3) years after final action under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of the City related to this Agreement.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf and duly attested; and the United States has caused the same to be duly executed by General Services Administration, on or as of the day and year first above written.

Acting by and through the Administrator of General Services	CITY AND COUNTY OF DENVER
Ву	Ву
Michael J. Norton Regional Administrator, Region 8 General Services Administration	Mayor
Witness:	
Mary T. Brooks Director of the United States Bureau of the Mint	
ATTEST:	RECOMMENDED AND APPROVED:
F. J. SERAFINI, Clerk and Recorder Ex-Officio Clerk of the City and County of Denver	
Ву	By Manager of Public Works
APPROVED:	REGISTERED AND COUNTERSIGNED:
MAX P. ZALL, Attorney for the City and County of Denver.	
ByCity Attorney	ByAuditor



SCHEDULE - A DENVER MINT JULY 10, 1974 AGREEMENT

for

Site for the

New Mint of the United States

at

· Denver, Colorado

Agreement for Site for the New Mint
of the United States at Denver, Colorado

#### KNOW ALL MEN BY THESE PRESENTS:

THIS AGREEMENT, entered in this 24th day of May 1973, by and between the United States of America, acting through the Administrator of General Services, under and pursuant to the powers and authority contained in the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, the Public Buildings Act of 1959 (73 Stat. 479), as amended, and regulations and orders promulgated thereunder, hereinafter referred to as the "United States" and the City and County of Denver, Colorado, a Municipal Corporation, by its Mayor, duly authorized, hereinafter referred to as the "City."

## WITNESSETH THAT:

#### WHEREAS:

The Secretary of the Treasury is authorized, acting through the Administrator of General Services, to acquire suitable sites, design and construct buildings for the Mint of the United States at Denver, pursuant to 31 U.S.C. 261 and 291;

Page 2.

The parties hereto desire to provide a new mint facility on a site which has the advantage of good location relative to the manufacture of coins, transportation, labor market and adequate utilities;

Appropriations have been made available, pursuant to Public Law 92-49 approved July 9, 1971, in the amount of \$1,500,000 for the purchase of a site for the new mint facility;

The City has agreed to assemble as a land package a site of approximately thirty-eight (38) acres of land in the City and County of Denver as described in Schedule A, attached hereto and made a part hereof; and to convey the assembled site to the United States free and clear of all liens and encumbrances and prepared for conveyance in accordance with the terms and conditions of this Agreement;

The United States is prepared to acquire the site for the new mint facility;

NOW, THEREFORE, each of the parties hereto for and in consideration of the aforesaid premises and of the mutual obligations herein; hereby covenant and agree as follows:

#### ARTICLE I

# GENERAL TERMS OF CONVEYANCE OF SITE

### Sec. 1 - Assembly of Site

Subject to all the terms, conditions and covenants of this Agreement, the City agrees to acquire at its own expense title to approximately twenty-five

Page 3.

(25) acres of privately owned property west of the South Platte River and convey said property together with approximately thirteen (13) acres of contiguous City-owned property, all shown on Schedule A, the Survey, attached hereto and made a part hereof, to the United States as the site for the new Denver Mint not later than August 1, 1974. The City agrees to commence acquisition of the privately owned land referred to herein as soon as possible but not later than thirty (30) days after execution of this Agreement. Sec. 2 - Sales and Purchase Price

The City will sell and convey the 38-acre assembled site to the United States and the United States will purchase the site for the sum of one million five hundred thousand dollars (\$1,500,000). The sum of money provided for payment under this section shall constitute the United States' sole monetary obligation pertaining to the acquisition of the assembled site prepared for conveyance in accordance with this Agreement, and performance of all duties of the City hereunder, which sum shall be paid by U.S. Treasury check drawn to the order of the City. The City is aware and acknowledges that the payment provided for herein is substantially below the appraised fair market value of the assembled site to be conveyed as provided by this Agreement and thus knowingly waives any and all entitlements to the benefits provided for under Public Law 91-646, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and any amendments thereto (84 Stat. 1894, 42 U.S.C. 4601).

## Sec. 3 - Conveyance

The City shall convey to the United States fee simple title to the site described in Schedule B, Metes and Bounds Description, attached hereto and made a part hereof, by delivery of a Warranty Deed upon payment as provided in Section 2 of this Agreement; subject to the easements as shown on Schedules C-1 through C-5 and Schedule D, Site Utility Plans, attached hereto and made a part hereof. The conveyance shall be made not later than August 1, 1974.

# Sec. 4 - Satisfaction of Title and Title Evidence

The City shall deliver or cause to be delivered to the United States, at the earliest possible date after the execution of this Agreement, but not later than December 31, 1973, without cost, evidence showing title to the assembled site in the City, which may consist of title abstracts, certificate of title or other evidence of title satisfactory to the Attorney General of the United States, or his designee.

Upon written notice by the United States of any title defects, the City agrees to deliver or cause to be delivered at its expense, such deeds, releases, or other title instruments as required by the United States to cure such defects, so that the title conveyed to the United States is free of all mineral rights, easements, restrictions, and leases, except as otherwise may be specifically waived by the United States or expressly provided for in this Agreement.

Page 5.

All judgments, taxes, assessments, liens or encumbrances of any sort, existing or inchoate, shall be satisfied by the City at its expense prior to transfer of title to the United States.

### Sec. 5 - Dedication and Vacation of Existing Streets

The City shall furnish to the United States prior to conveyance authenticated evidence showing that:

- (a) Public alleys, streets, and roads abutting the site have been duly dedicated and legally accepted by the proper authorities of the City and that such public ways have been actually opened for public access and are improved, maintained and kept open for use as are other public streets, roads, and alleys in the City.
- (b) The City has vacated or will cause to be vacated portions of 7th 8th, 9th, 10th and Water Streets as shown on Schedule C-1, Site Utility

  Plan, and as required for the proper development and utilization of the site for the proposed mint facility.
- (c) The City has, or will, replot the route for the Market-Blake

  Parkway access to downtown Denver so that it will not cross the

  assembled site outside the area delineated therefor on Schedule C-1, or

  in any way interfere with the use and operation of the mint facility, or

  unnecessarily interfere with the use of said delineated area for automobile

  parking and access to the site.
- (d) The City shall provide or cause to be provided access to the site for automobiles and truck trailers from the south end of the site;

Page 6.

near the midpoint at 23rd Avenue; and from the north end of the site.

Minimum access way shall be fifteen (15) feet in vertical clearance and a minimum of twenty-four (24) feet in width.

### Sec. 6 - Location of Sewer, Water, Gas and Electric Lines

The City shall obtain commitments for and perform, or cause to be performed, all work provided for herein without cost to the United States prior to conveyance of title to the United States, except as may otherwise be agreed upon in writing between the parties. The City shall:

- (a) Prior to July 1, 1974 abandon or relocate certain sewer lines from the assembled site, as shown on Schedule C-2; except the existing storm and sanitary sewers crossing the site generally in an east-west direction, as noted on Schedule C-2, to be relocated by the United States at its expense during the site preparation phase of the project. The City will provide as necessary off-site easements and connections which are necessary for completion of the work by the United States.
- (b) Furnish a firm commitment from the Denver Water Board to remove, abandon and/or relocate its water lines shown on Schedule C-3, from within the assembled site boundary prior to July 1, 1974.
- (c) Furnish a firm commitment from the Public Service Company of Colorado to remove, relocate or abandon prior to July 1, 1974, subsurface gas lines, including the main gas line supplying north and west Denver, and all of its surface and/or subsurface electric power lines and associated

Page 7.

appurtenances from within the boundary lines of the assembled site, as shown on Schedule C-4.

- (d) Provide for the off-site rerouung of any presently planned, or future proposed sewers from within the assembled site boundary, except as shown on Schedule D.
- (e) The United States has the right to remove, abandon or relocate any surface and/or subsurface utilities discovered at a future date which are not shown on Schedules C-1 through C-5 and Schedule D. All commitments as provided in this Sec. 6, paragraphs (b) and (c) shall also provide for such right in the United States.
- (f) Prior to July 1, 1974, secure and provide to the United States waivers from all parties performing work as provided herein for any possible entitlements to benefits under Public Law 91-646, any amendments thereto and any regulations and guidelines issued pursuant thereto.
- (g) If there shall be any conflict between the provisions of this Agreement and the detailed notes on Schedules C-1 through C-5 and Schedule D, said notes shall be controlling.

# Sec. 7 - Uniform Relocation Act Requirement

The City at its expense agrees to fulfill any and all obligations imposed on this project by the Uniform Relocation Assistance and Real Property Acquistion Policies Act of 1970, Public Law 91-646, and any amendments thereto, with regard to its acquisition and assembly of the site to be conveyed to the United States by acquiring property in accordance therewith

and providing relocation payments and assistance to eligible displaced persons within the area described in Schedule B of this Agreement. Such undertaking by the City shall be in accordance with Federal regulations and guidelines issued pursuant to the Relocation Act (41 CFR 101-18.3).

In addition the City represents that it will, at its own expense, assure the complete fulfillment of any applicable requirements of the State of Colorado Relocation Assistance Act of 1971 and any regulations issued pursuant thereto. This provision requires delivery of the assembled site without any occupants or right to occupancy of any part of said site or any buildings situated thereon. Sec. 8 Delivery of Deed and Possession

The City shall deliver the Deed and possession of the site to the United States on the date the purchase price is paid to the City, or on such other date as the parties hereto may otherwise mutually agree upon in writing.

Payment of the purchase price and delivery of the Deed shall be at the principal offices of the City, or at such other place as is mutually satisfactory to the parties.

# Sec. 9 - Arrangement for Utilities - Access to Site

The City shall, without expense to the United States, prior to completion of the new Denver Mint, provide or cause to be provided at the boundaries of the site at locations designated by the United States all necessary utilities (electric, gas, water, telephone, sewer) required in the construction and occupancy of the new Denver Mint as of the time or times when such utilities shall be required for said construction or

Page 9.

occupancy, except as may otherwise be agreed upon in writing between the parties hereto.

# Sec. 10 - Survey and Subsoil Information - Access to Site

Within sixty (60) days from the date of this Agreement the City will grant and assure access to the site and all portions thereof or obtain and furnish permits for access thereto from those in possession so that the United States or its authorized representative or contractor may obtain topographic data, soil samples, and subsurface information where required for the preparation of drawings and specifications for the mint buildings to be erected on the site.

#### Sec. 11 - Notice

Any notice or communication necessary under and pertaining to this Agreement by either party to the other shall be sufficiently given or delivered if dispatched by registered or certified mail, postage prepaid, return receipt requested, and

(a) In the case of a notice or communication to the United States the address is as follows:

Regional Administrator General Services Administration Denver Federal Center, Building 41 Denver, Colorado 80225

(b) In the case of a notice or communication to the City the address is as follows:

Mayor, City and County of Denver Room 350, City and County Building Denver, Colorado 80202 Page 10.

#### Sec. 12 - Nondiscrimination in Employment

GSA Form 1714 entitled "Equal Opportunity Clause" marked Schedule

"E" is attached hereto and made a part hereof. The terms "Contractor"

and "Contract" as used therein shall be deemed to mean the City and this

Agreement, respectively.

#### Sec. 13 - Counterparts

This Agreement is executed in four (4) counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

#### ARTICLE II

#### TERMINATION OF AGREEMENT

If the City does not acquire fee simple title to the portions of the site not now owned by it and complete transfer of title to the entire site to the United States prior to the date specified in Sec. 3, Article I, and perform all duties imposed upon it by Sections 4, 5, 6, 7 and 9 of Article I, prior to said date or the date otherwise provided for such duty or duties as the case may be, this Agreement may be terminated at the election of the United States upon giving written notice thereof to the City. In the event of such termination, neither party shall be under any liability whatsoever to the other party.

Page 11.

#### ARTICLE III

#### MISCELLANEOUS PROVISIONS

# Sec. 1 - Modification of Agreement

No variation or departure from any other provisions of this Agreement shall be binding on the City or the United States unless agreed upon in writing by the City and United States.

# Sec. 2 - Officials not to Benefit

No member of or Delegate to the Congress, or Resident Commissioner, shall be admitted to any share or part of this Agreement or to any benefit that may arise thereupon, but this Section shall not be construed to extend to this Agreement if made with a corporation for its general benefit.

#### Sec. 3 - Conflict of Interest

No official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such official or employee participate in any decision relating to this Agreement which affects his personal interest or the interests of any corporation, partnership, or association in which he is, directly or indirectly, interested.

No official or employee of the City shall be personally liable to the United States or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the United States or a successor or on any obligations under the terms of this Agreement.

# Sec. 4 - Covenant Against Contingent Fees

The City warrants that no person or selling agency has been employed

or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees or bona fide established commercial selling agencies maintained by the City for the purpose of securing business. For breach or violation of this warranty, the United States shall have the right to declare this Agreement terminated, without liability or in its discretion to deduct from the purchase price the full amount of such commission, percentage, brokerage or contingent fee.

### Sec. 5 - The City Represents That:

- (a) It has not employed or retained any company or person (other than a full-time bona fide employee working solely for the City) to solicit or secure this Agreement: and
- (b) It has not paid or agreed to pay any company or person any fee, commission, percentage, or brokerage fee, contingent upon or resulting from the making of this Agreement, and agrees to furnish information relating thereto as requested by the United States.

### Sec. 6 - Examination of Records

The City agrees that the Comptroller General of the United States or any of his duly authorized representatives or GSA shall, until the expiration of three (3) years after final action under this Agreement, have access to and the right to examine any directly pertinent books, documents, papers, and records of the City related to this Agreement.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf and duly attested; and the United States has caused the same to be duly executed by General Services Administration, on or as of the day and year first above written.

#### UNITED STATES OF AMERICA

Acting by and through the

Administrator of General Services

Regional Administrator, Region 8 General Services Administration

CITY AND COUNTY OF DENVER

By lett insnichol

Witness:

Director of the United States

Bureau of the Mint

ATTEST:

RECOMMENDED AND APPROVED:

F. J. SERAFINI, Clerk and Recorder, Ex-Officio Clerk of the City and

County of Denver.

APPROVED:

MAX P. ZALL, Attorney for the City and County of Denver.

City Attorney

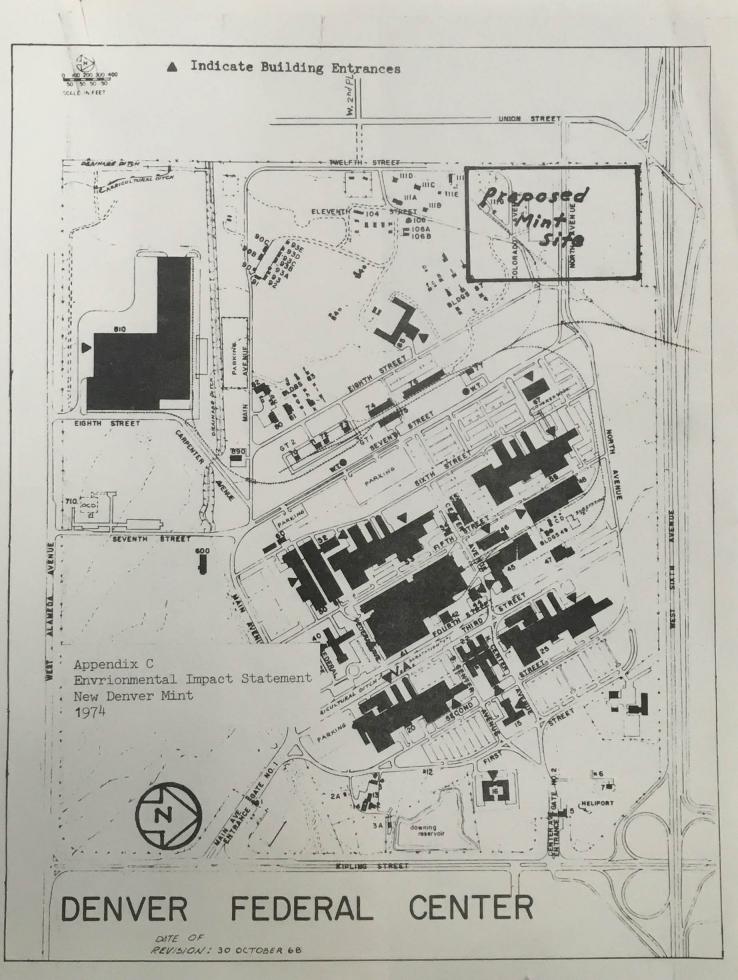
REGISTERED AND COUNTERSIGNED:

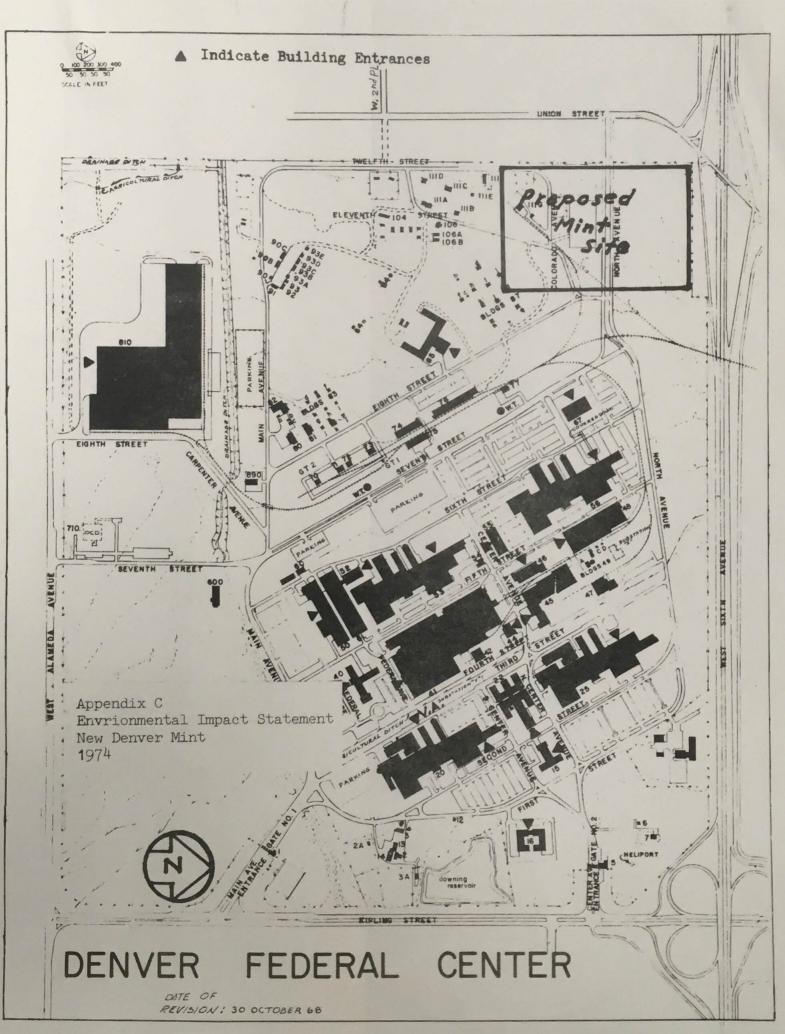
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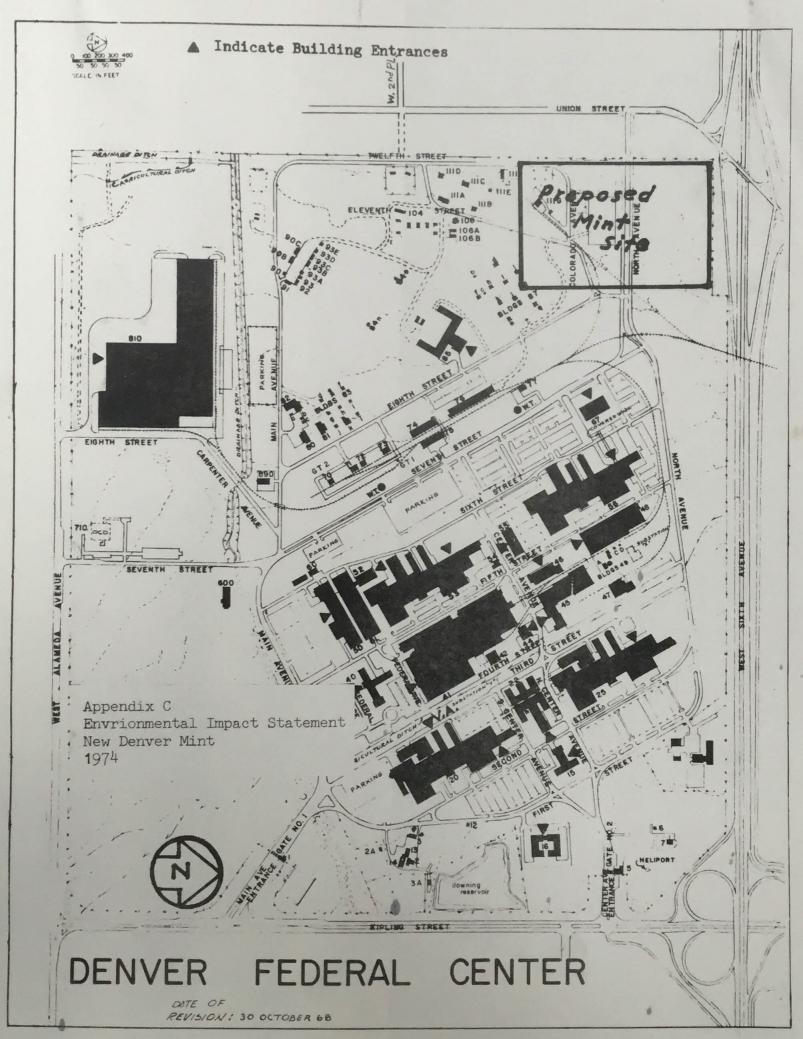


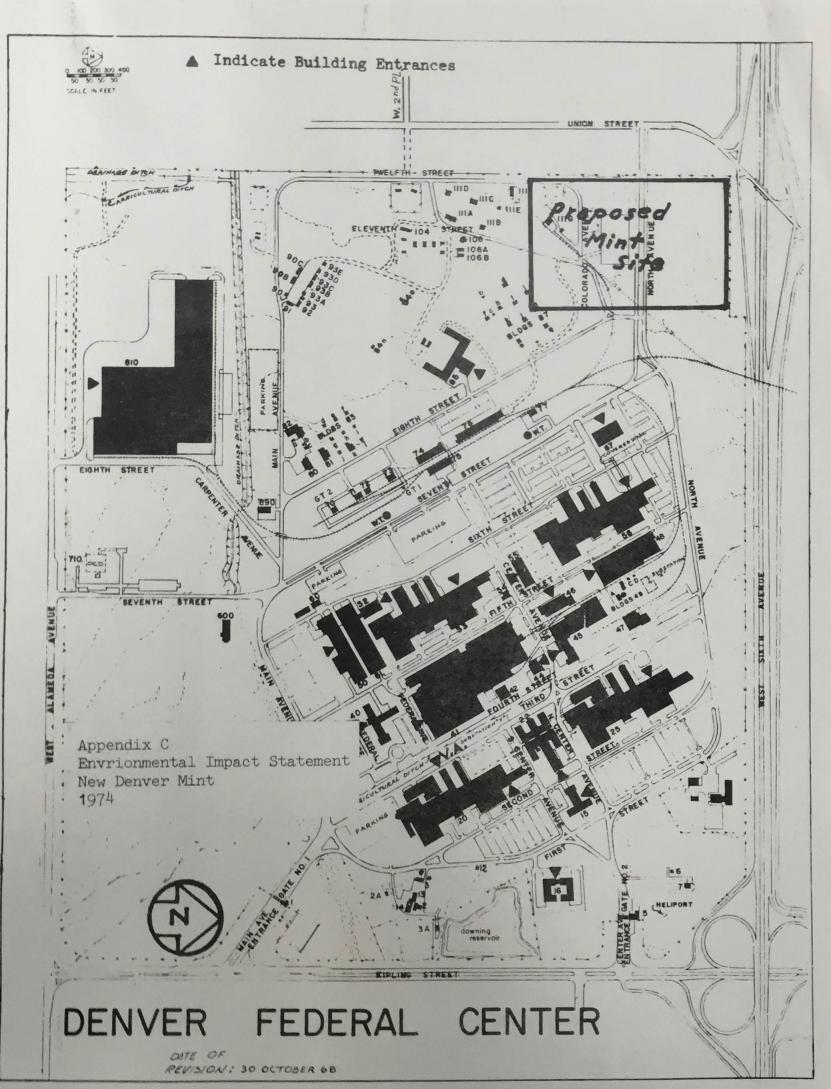
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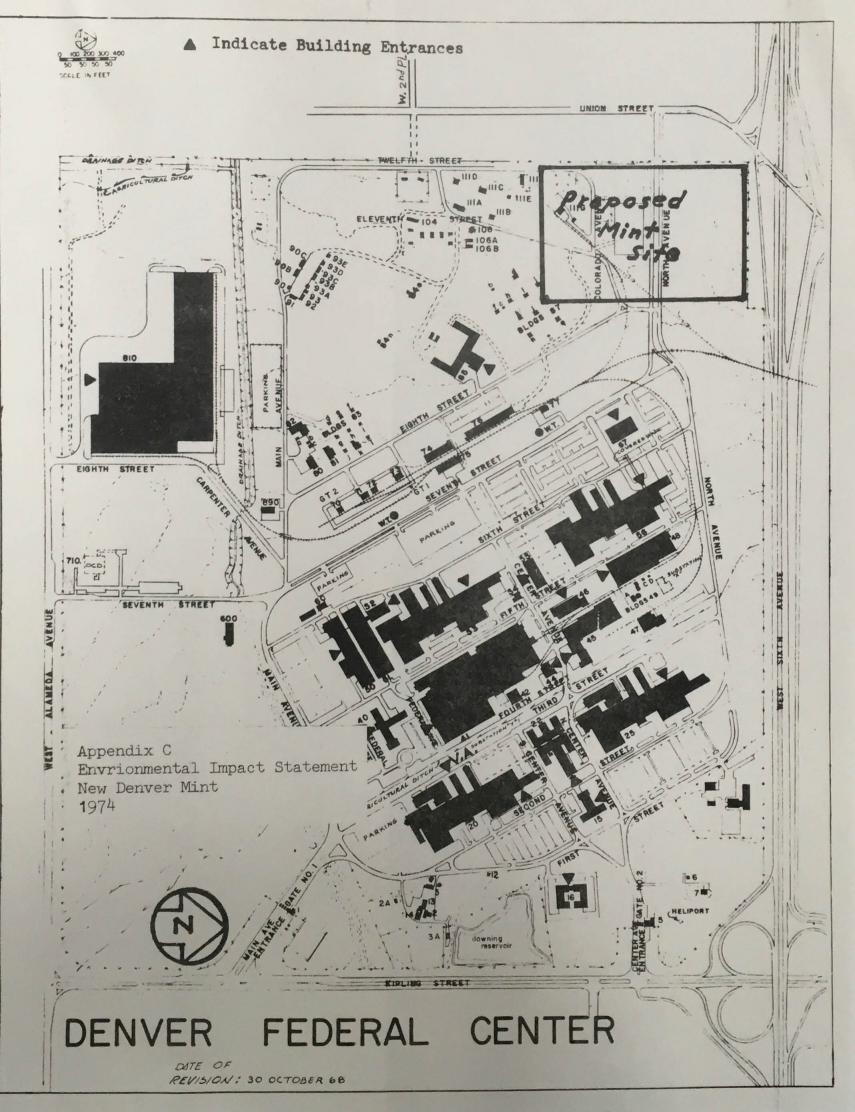


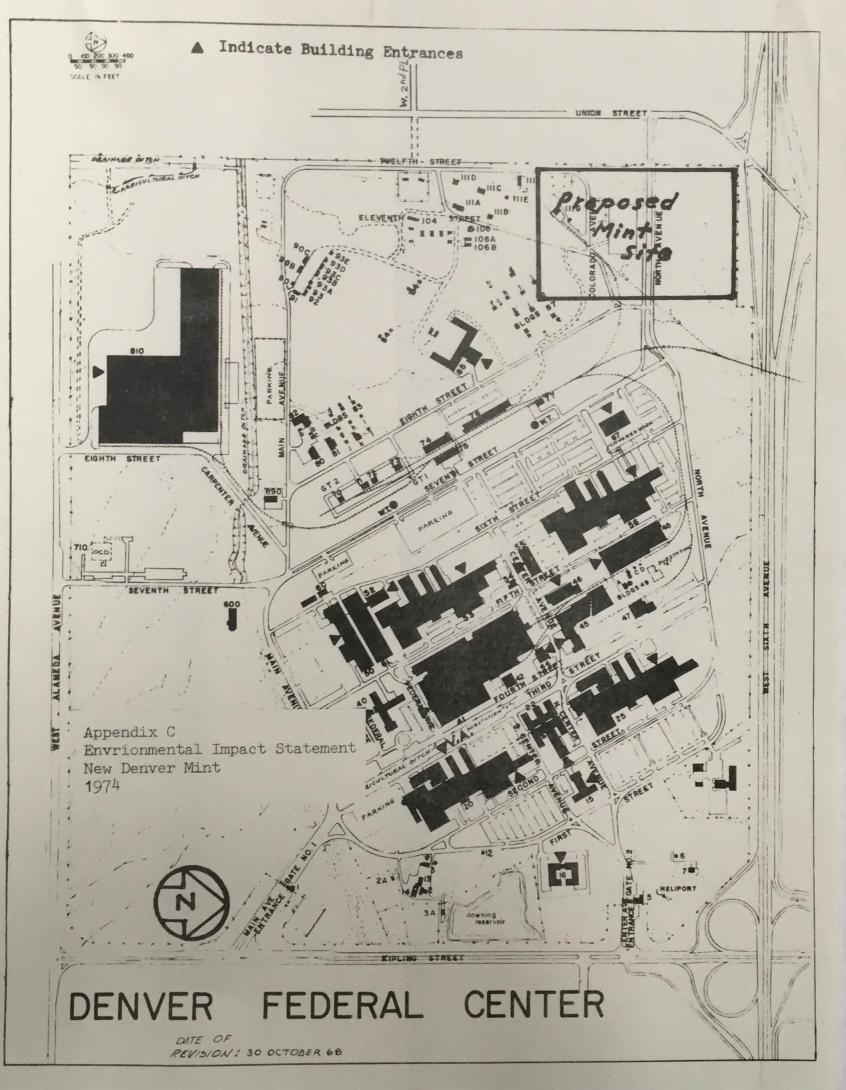


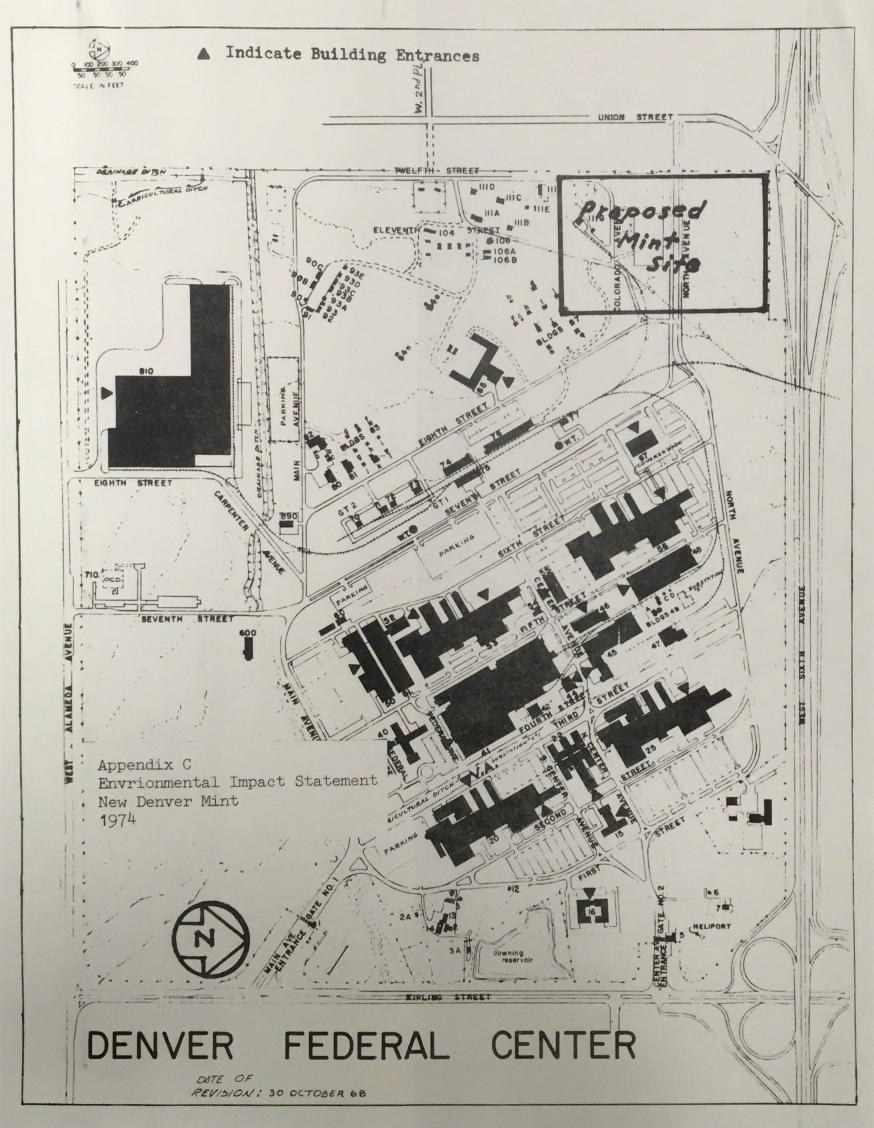


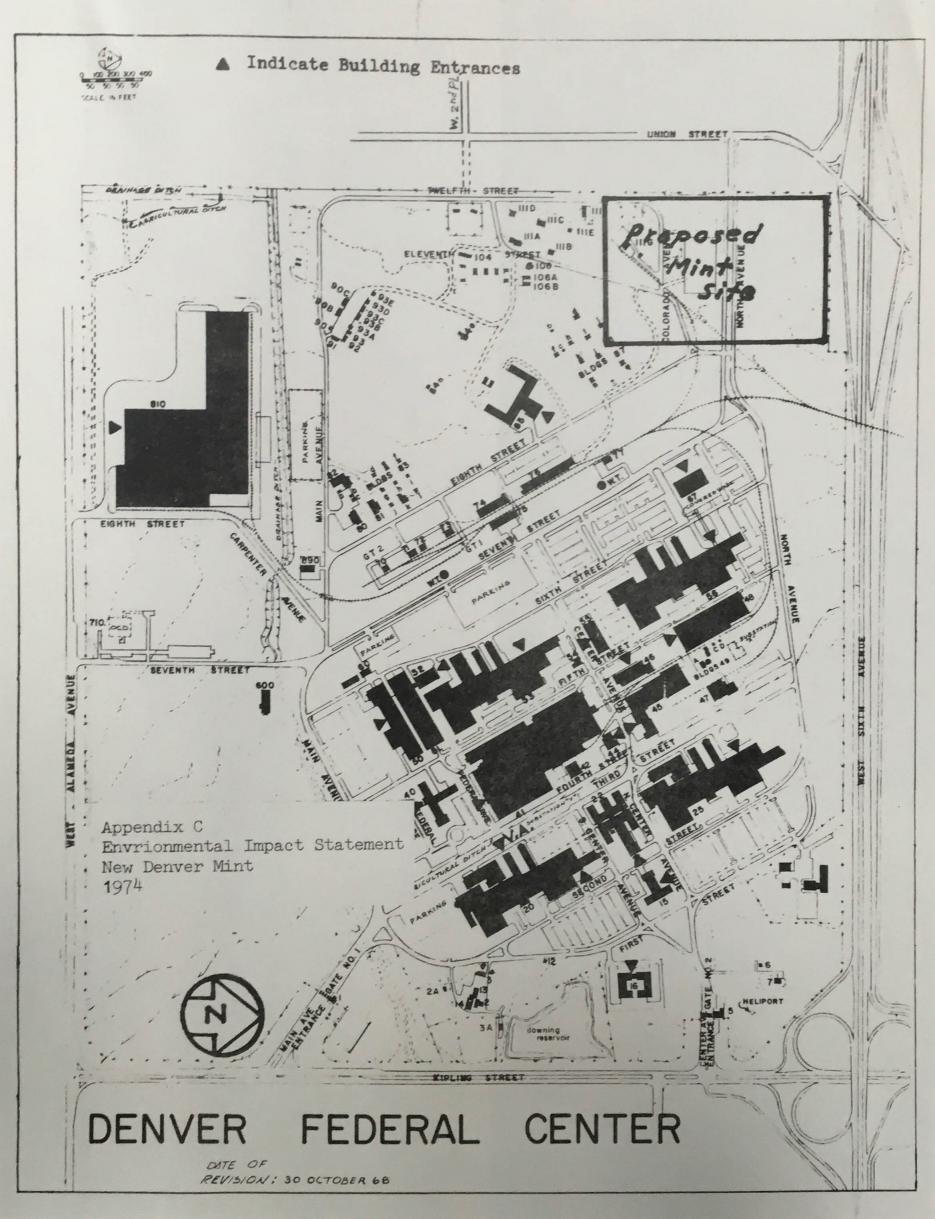


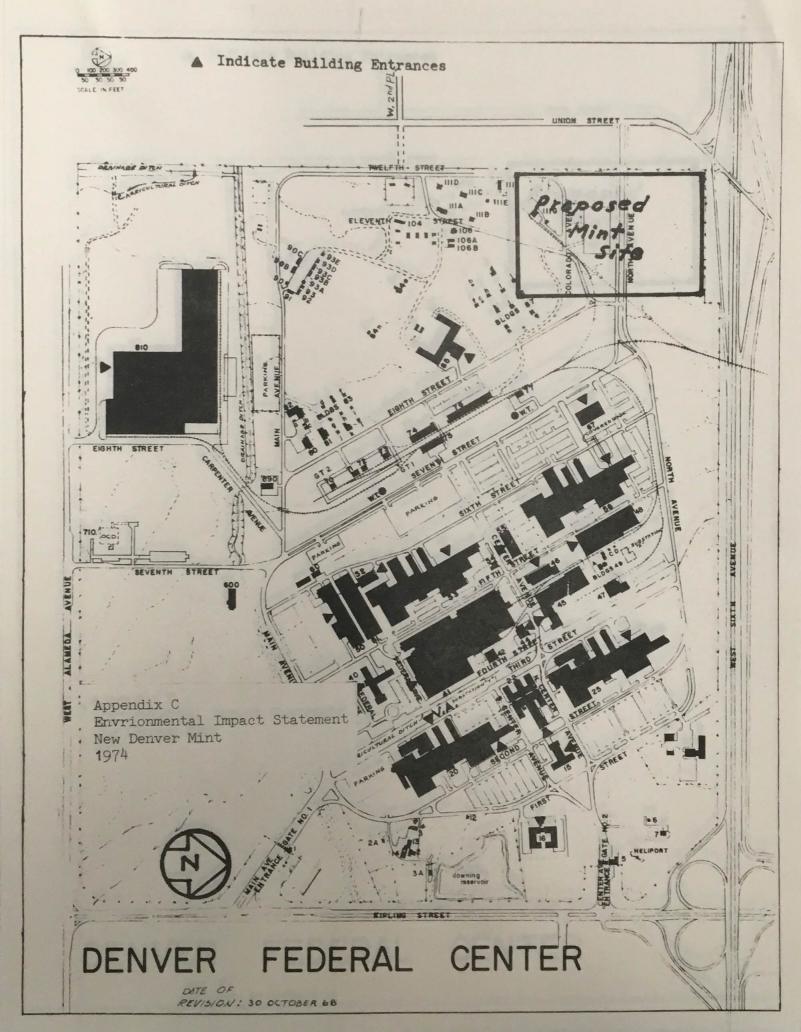


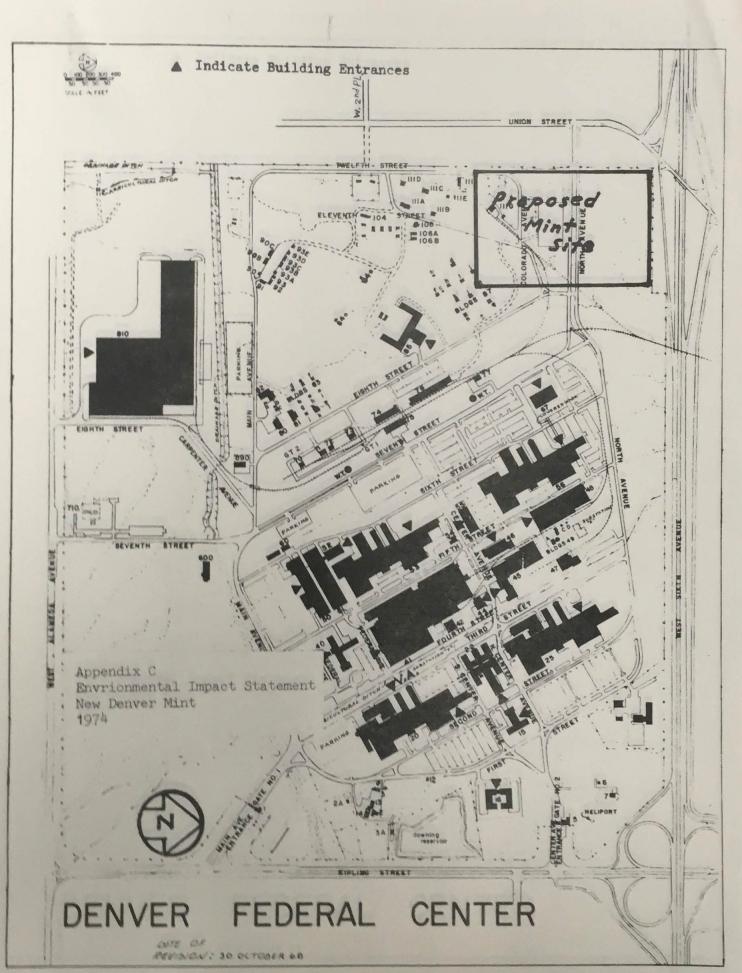


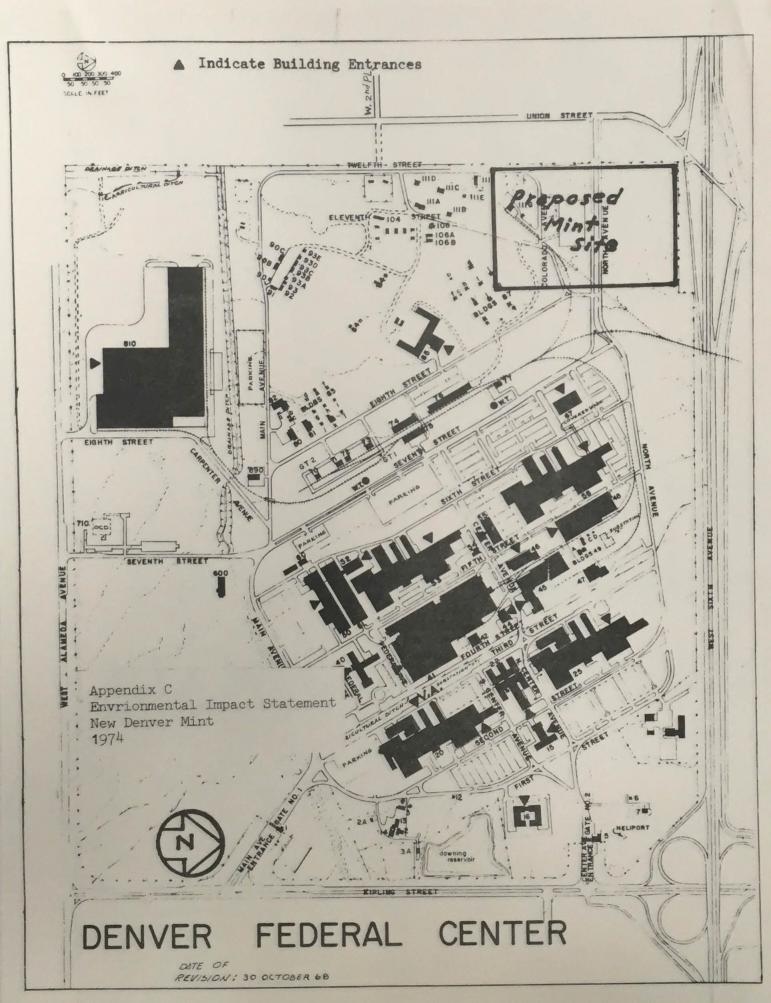


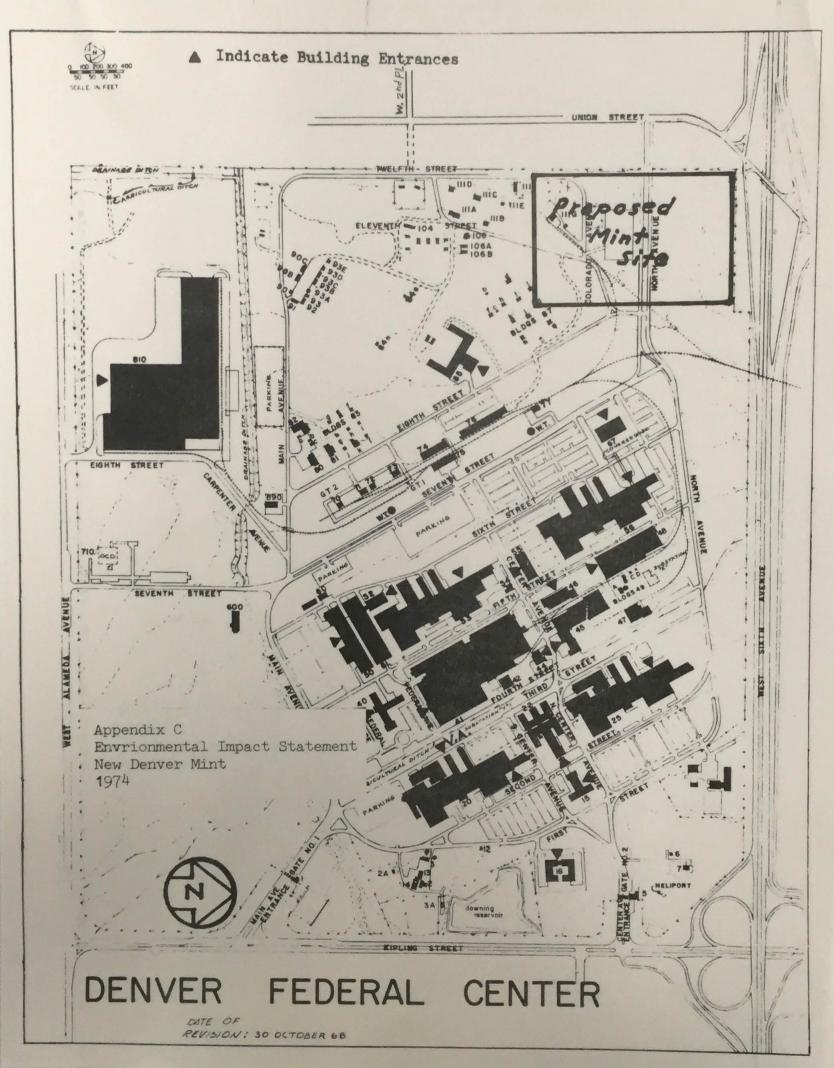


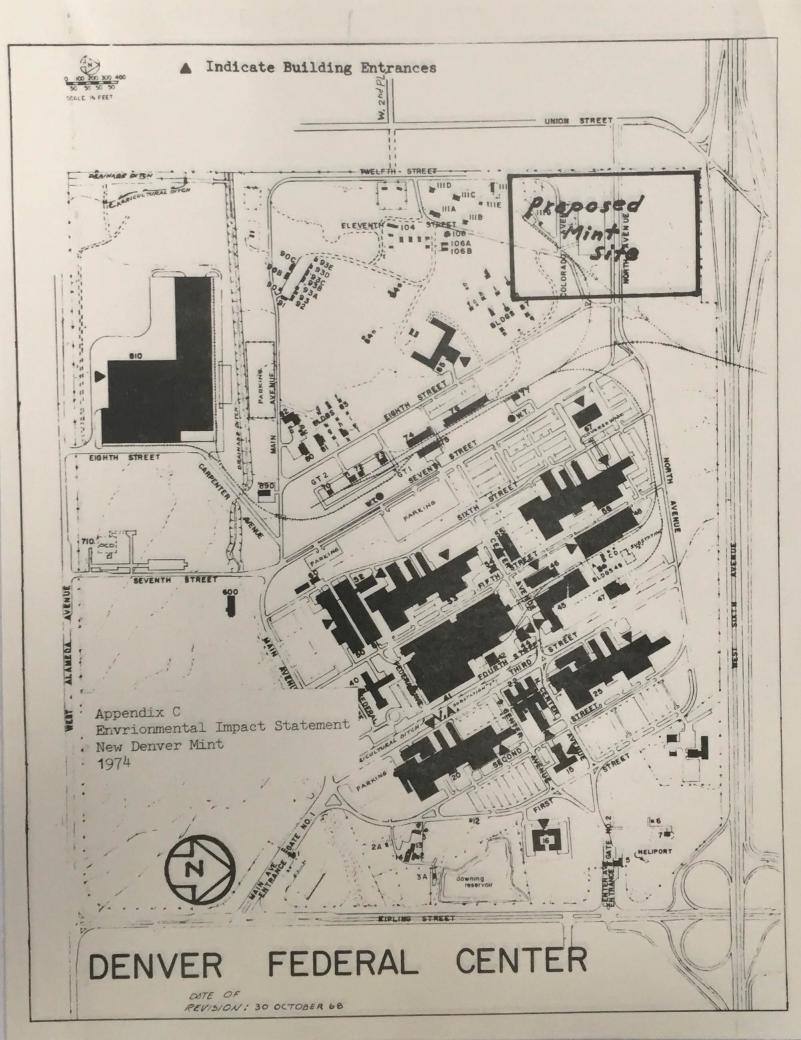


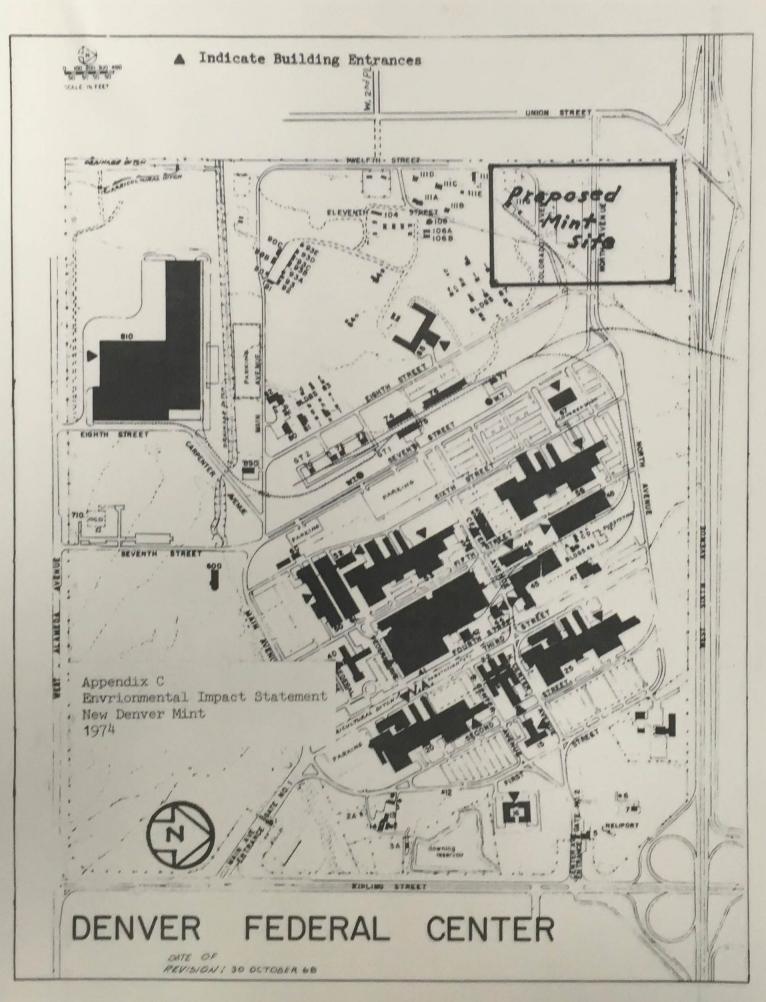


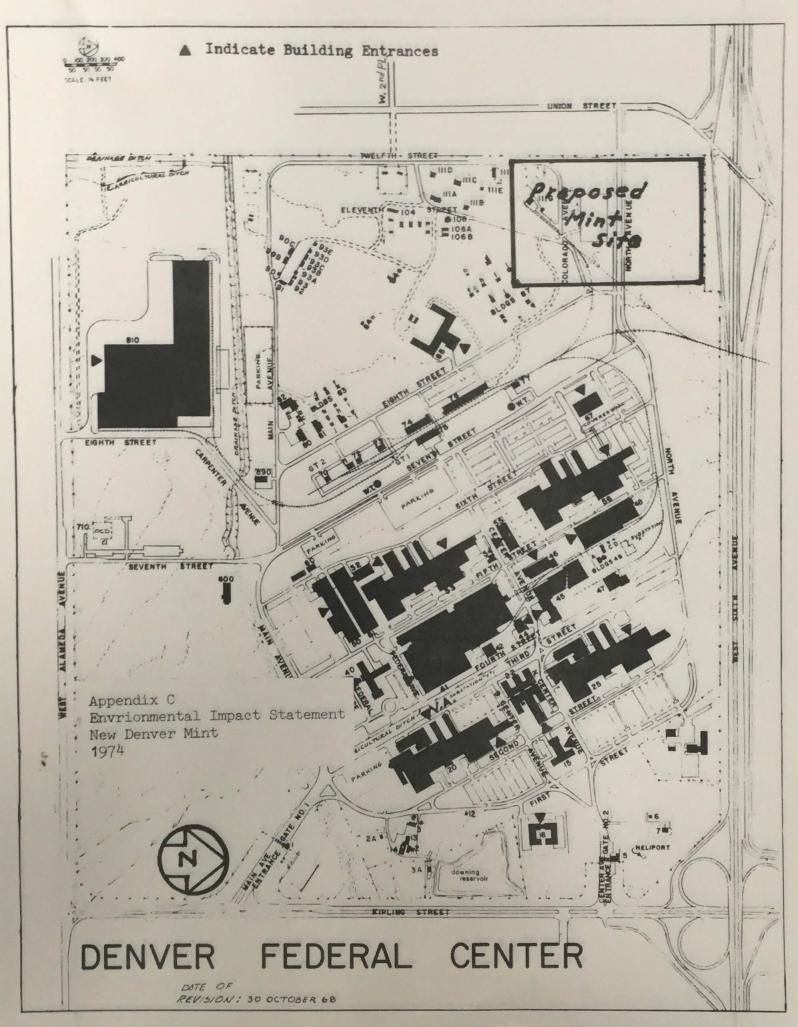


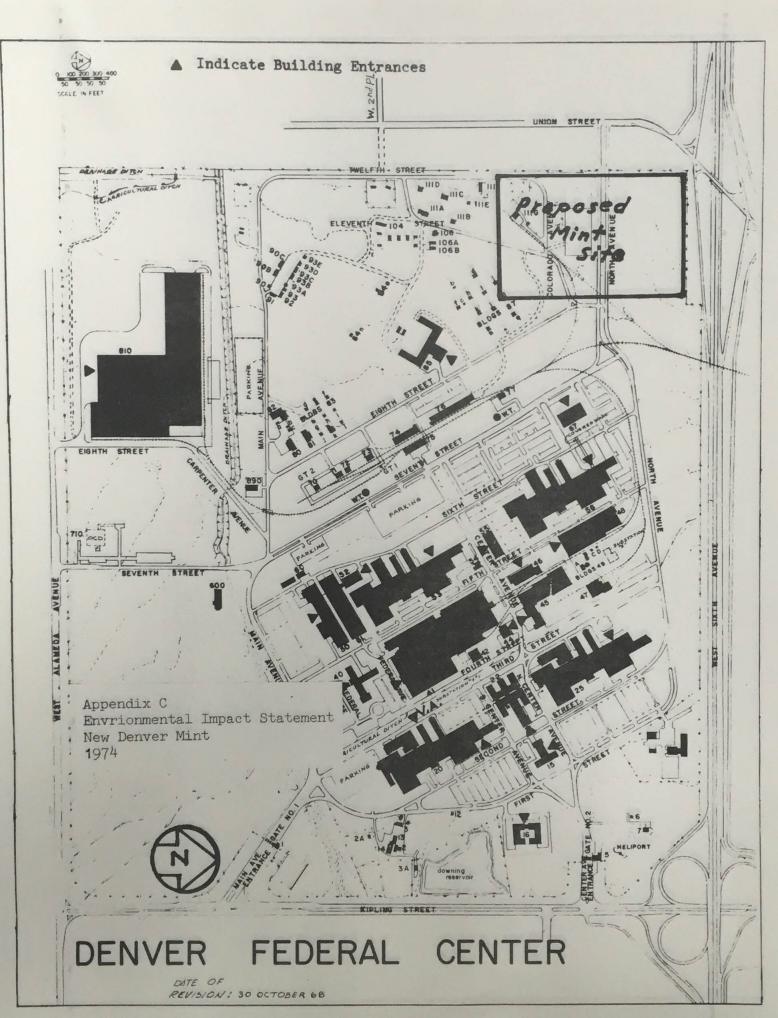


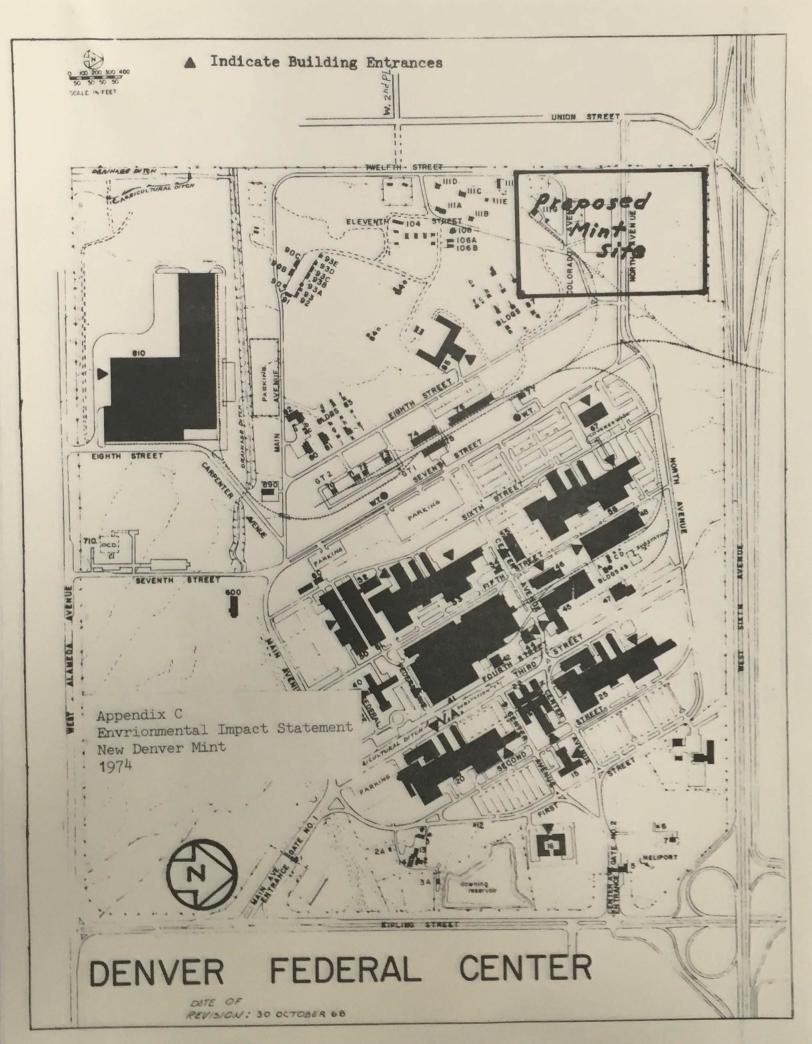


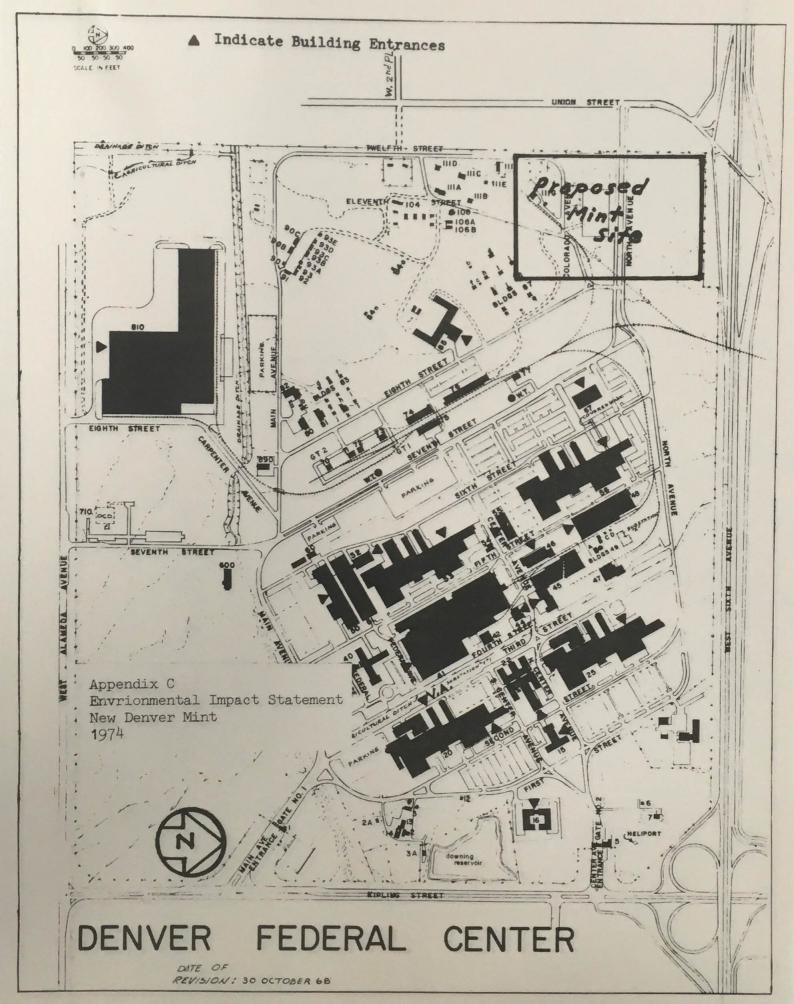


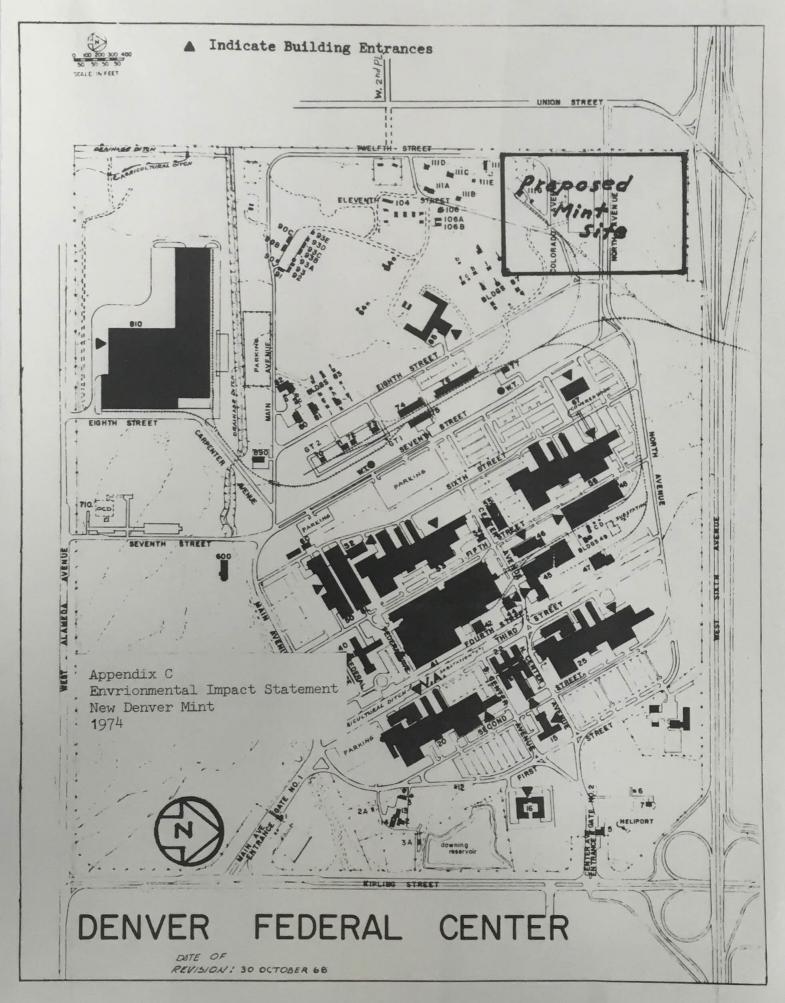


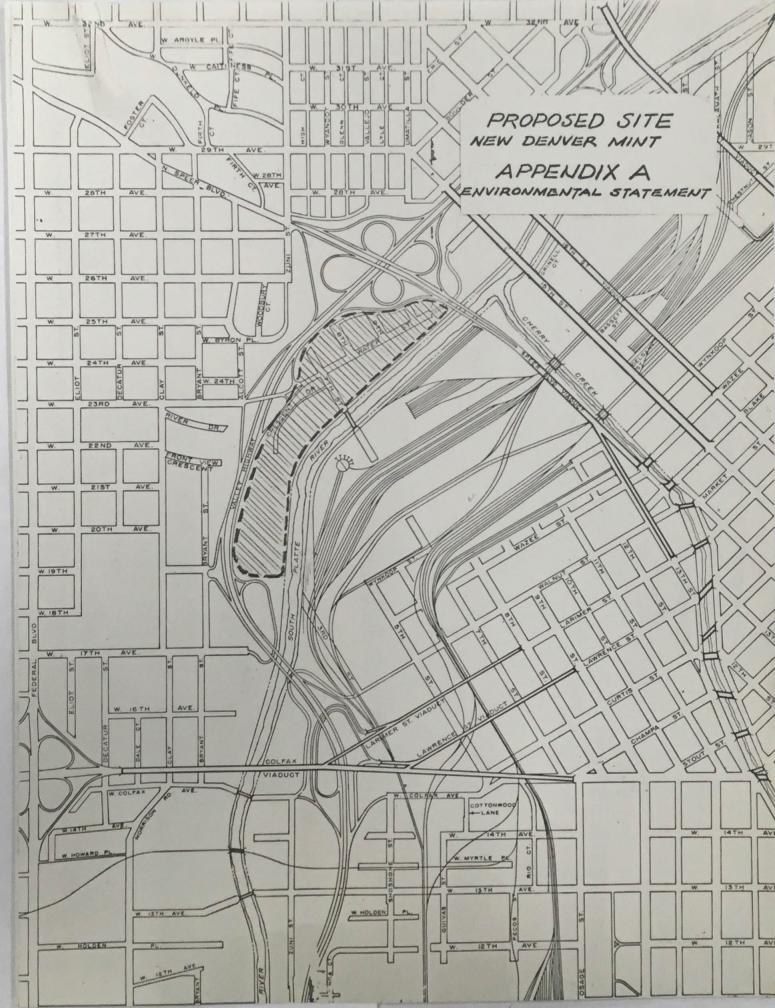


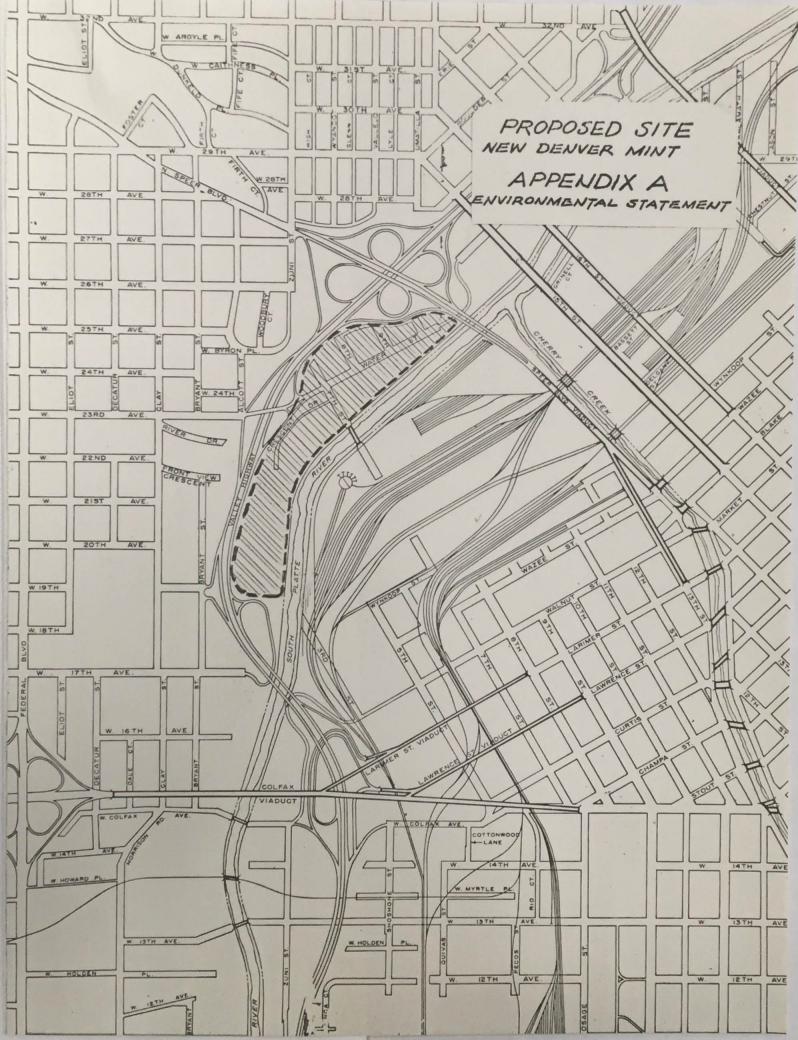


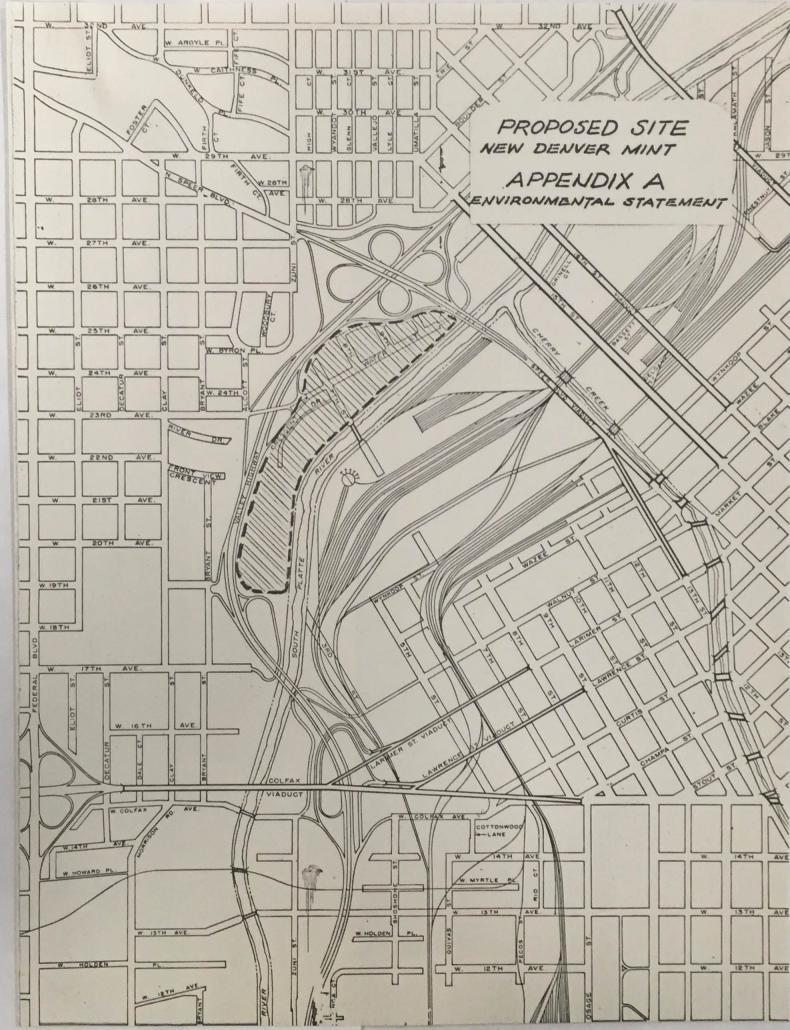


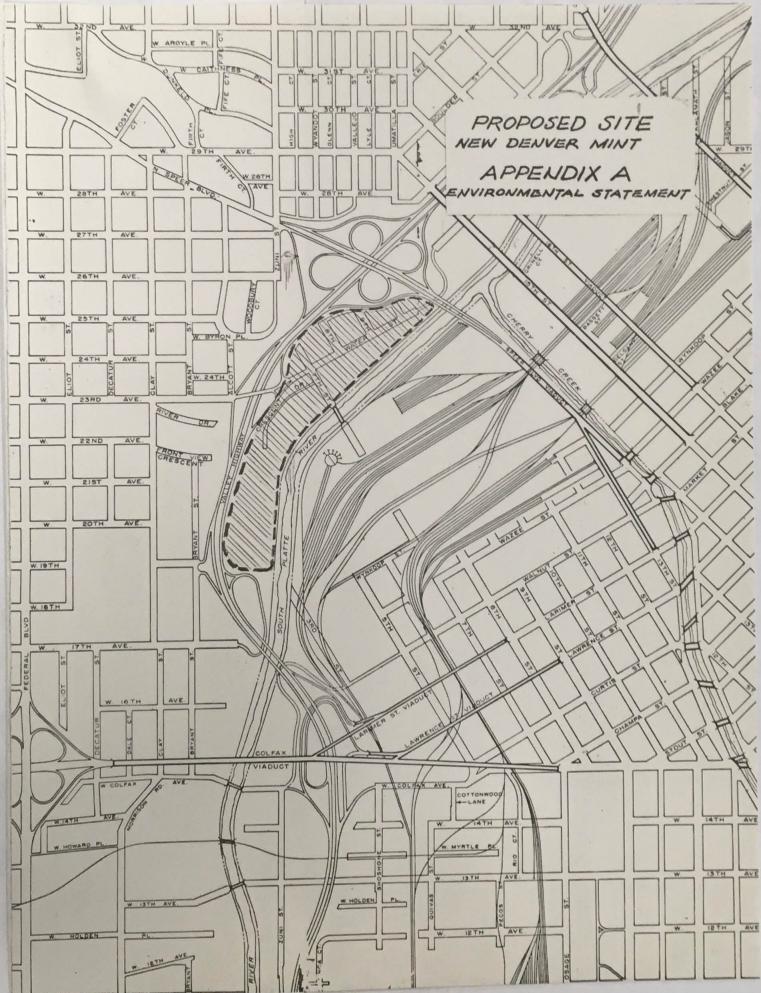


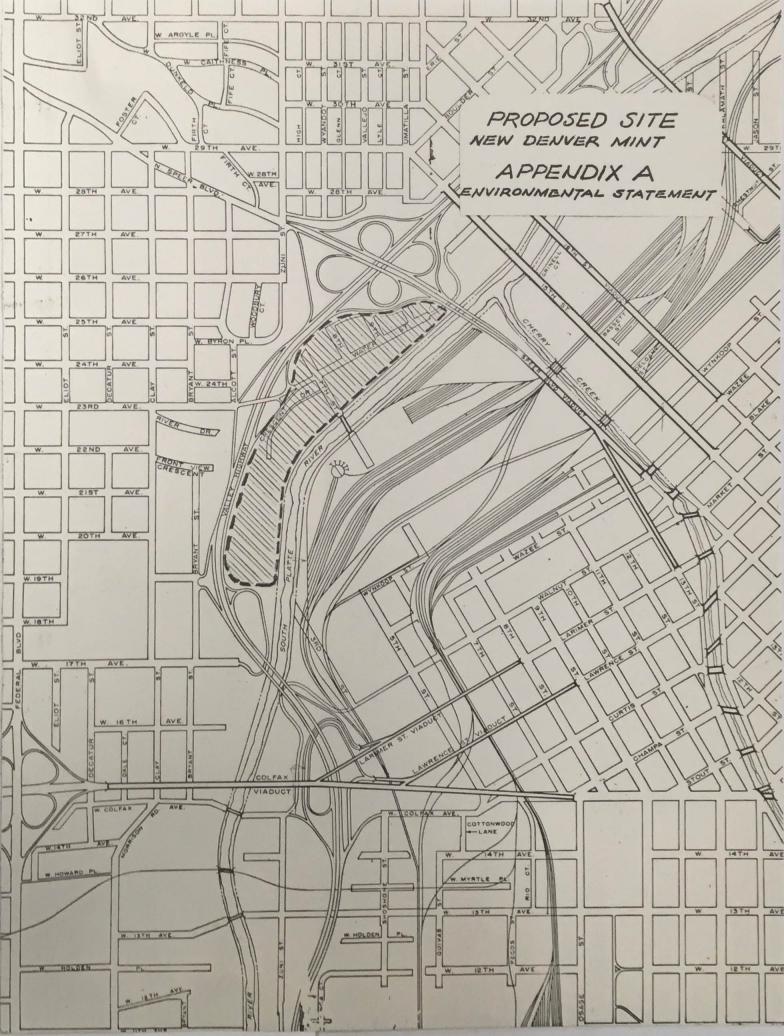


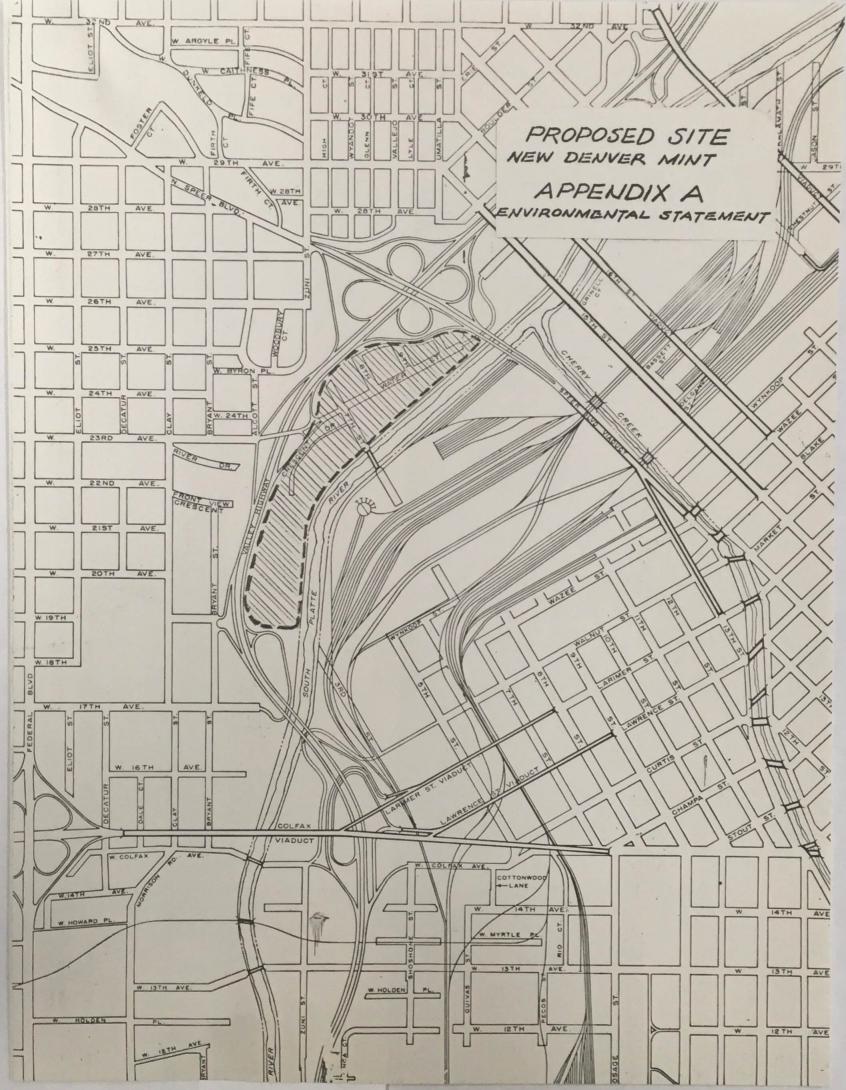


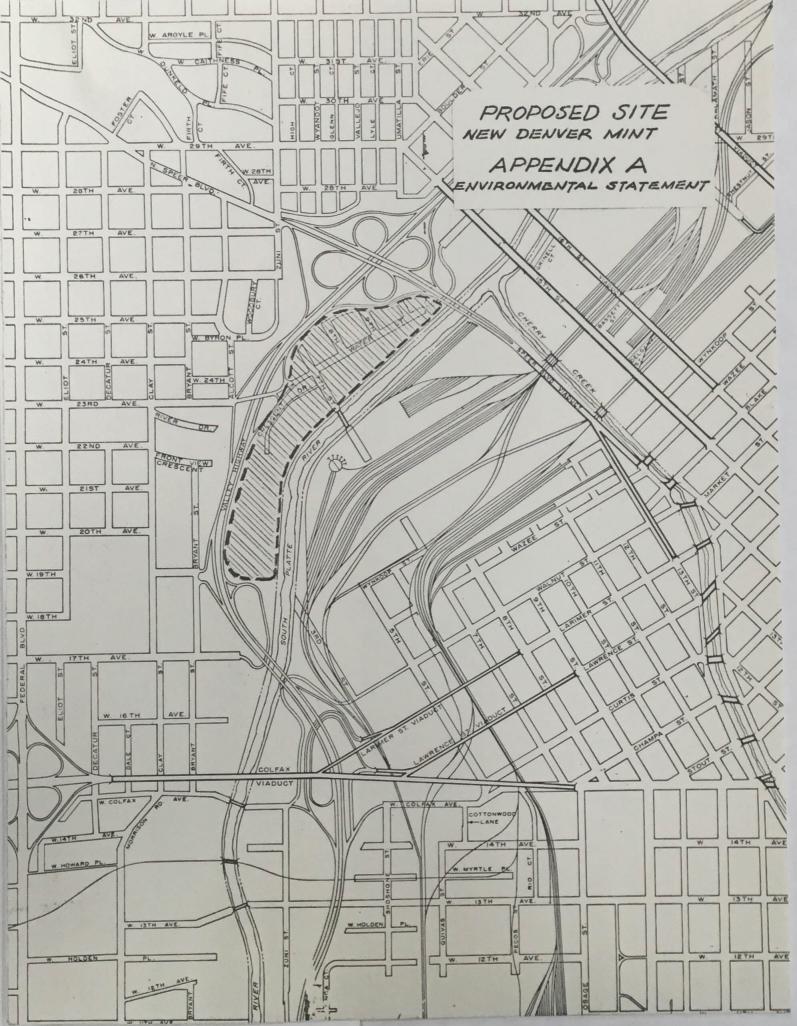


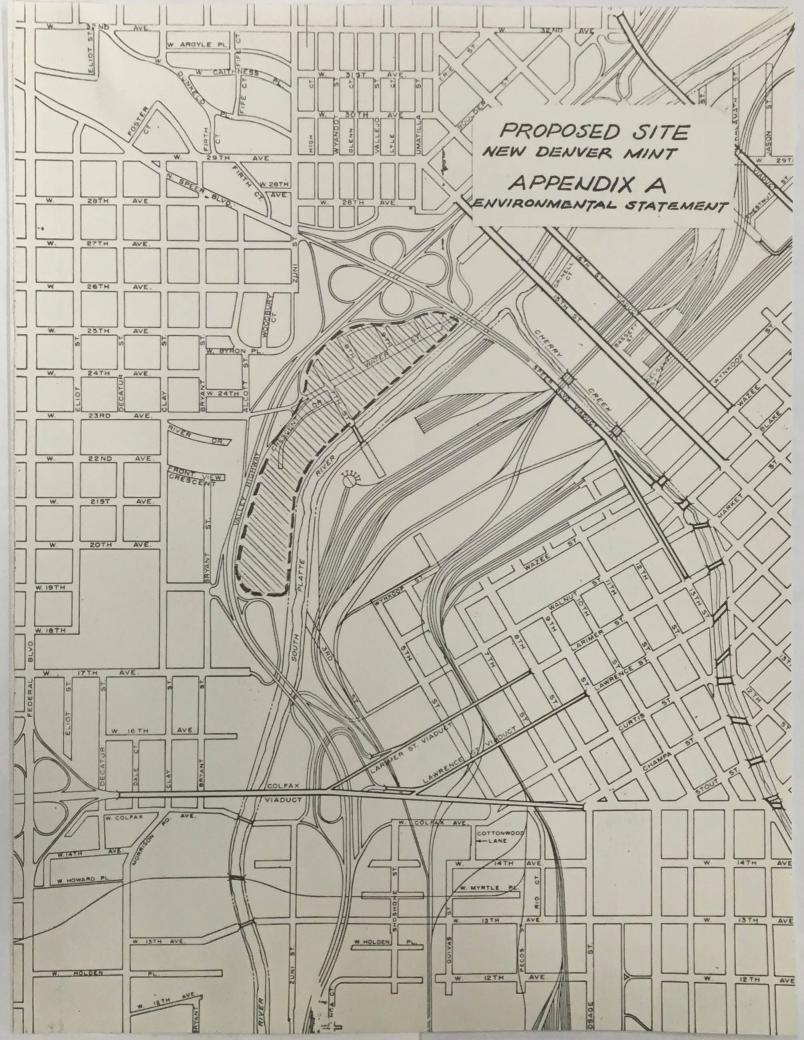


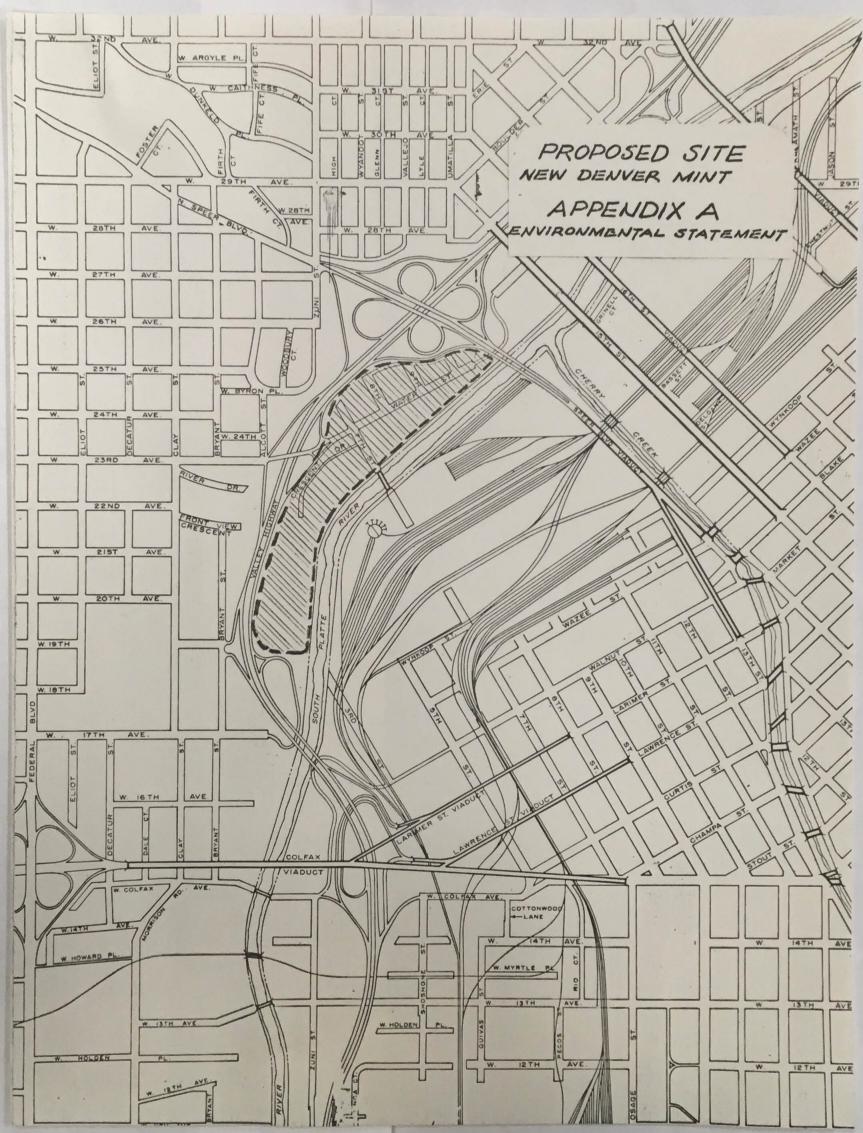


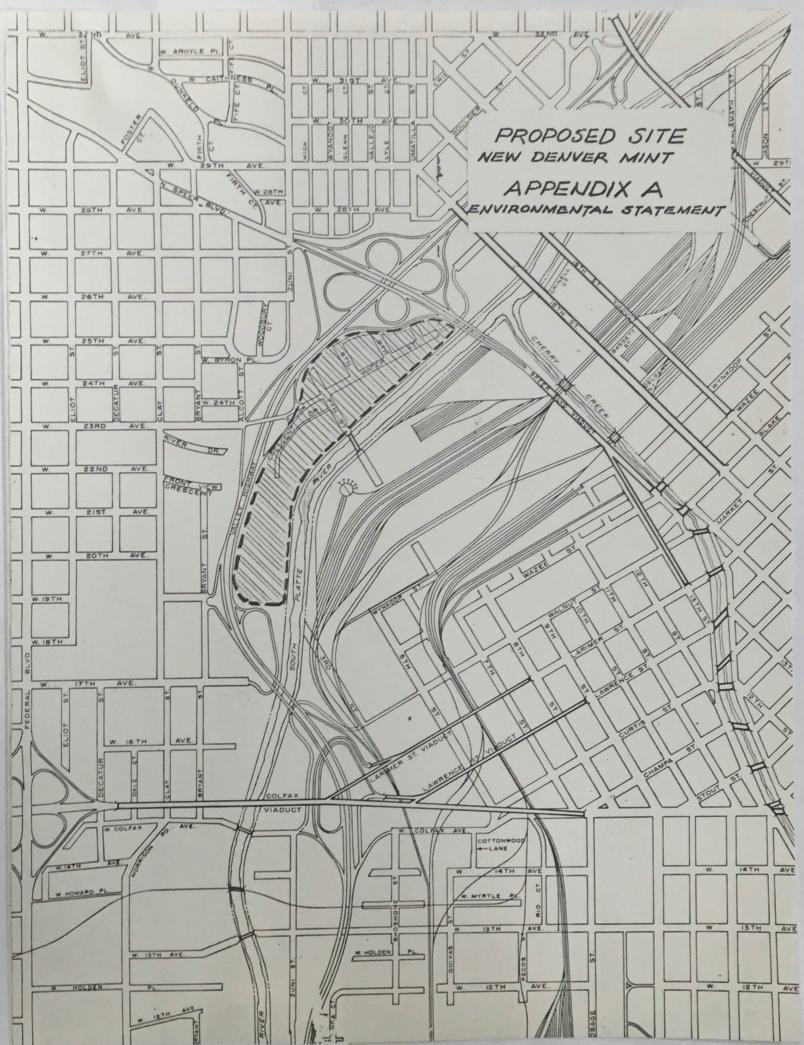


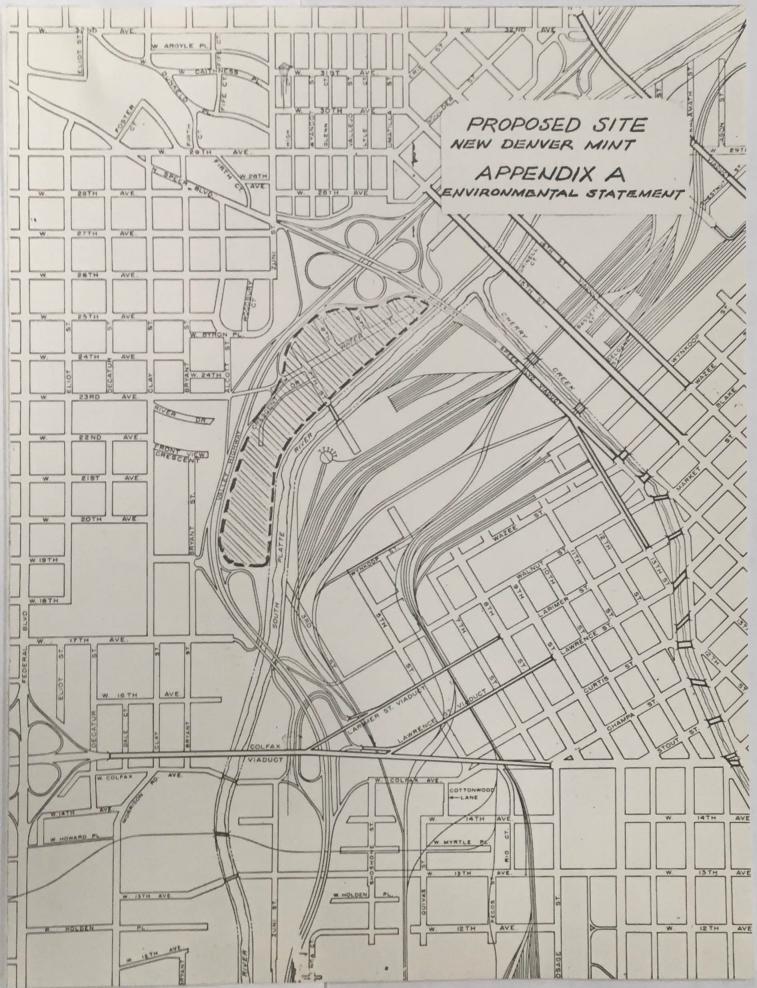


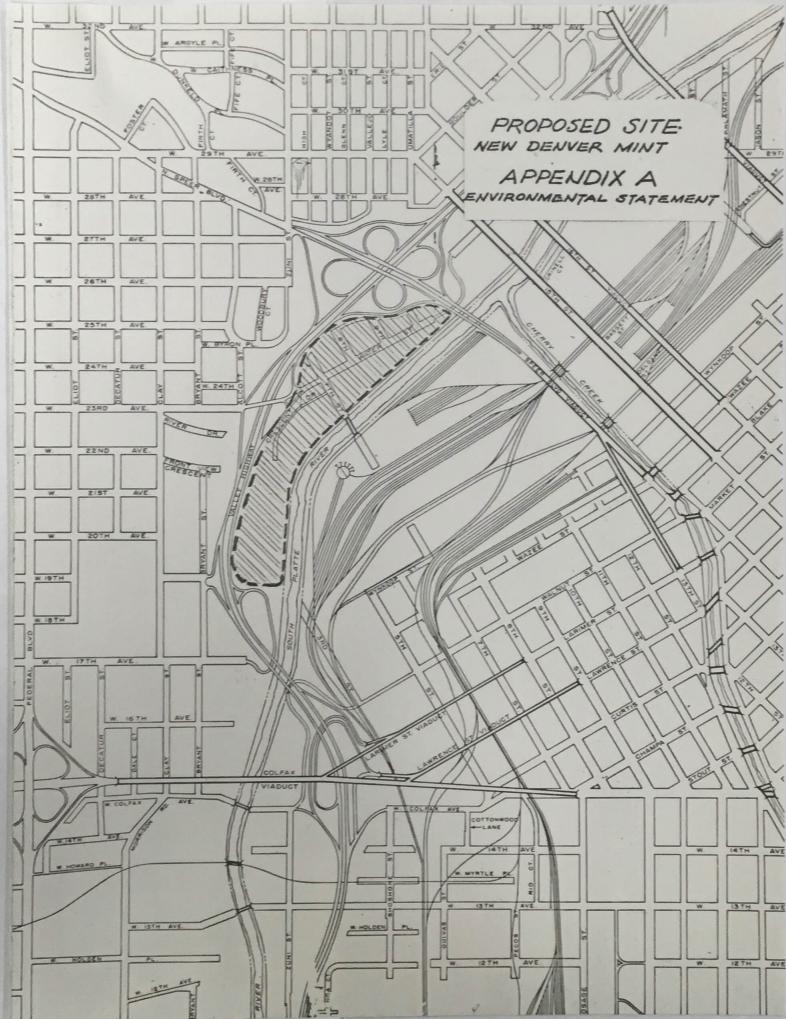


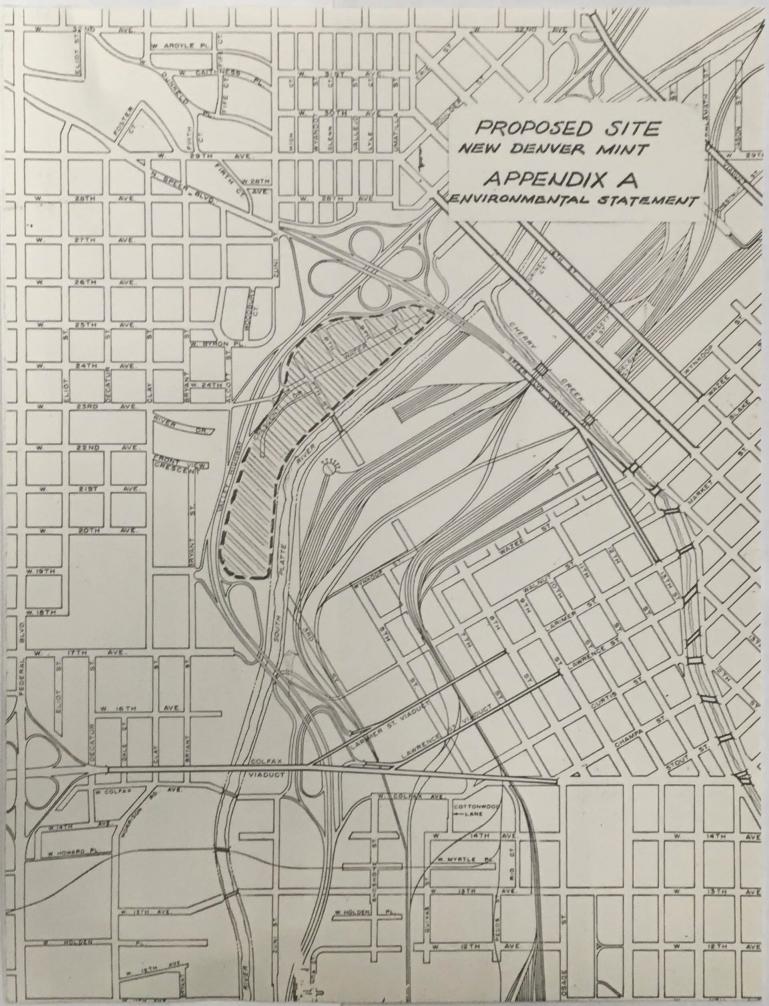


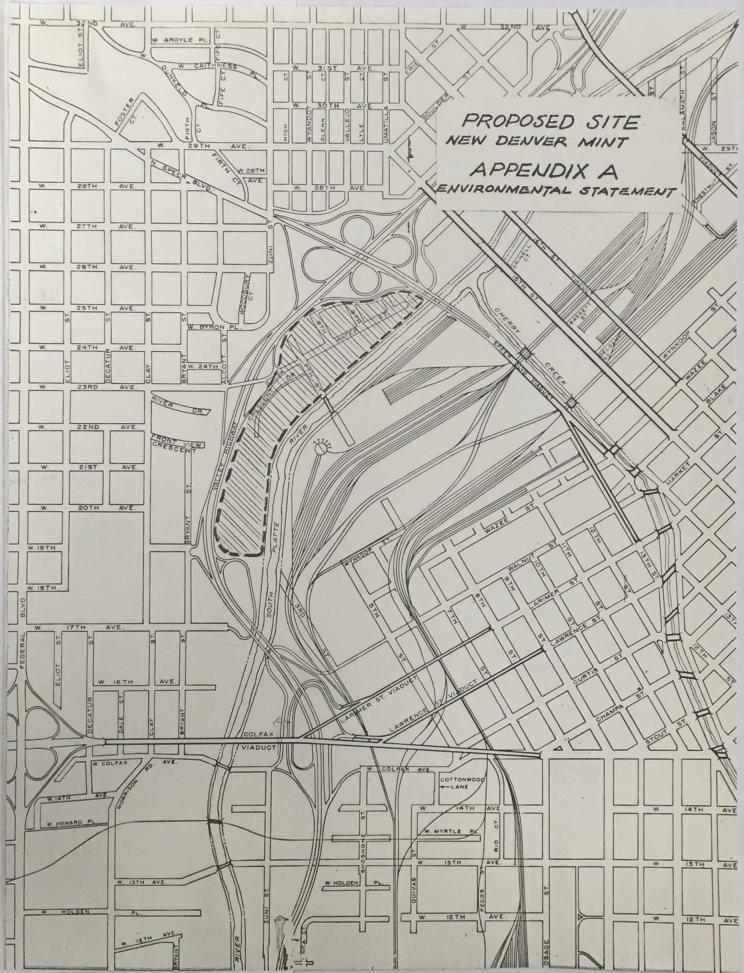




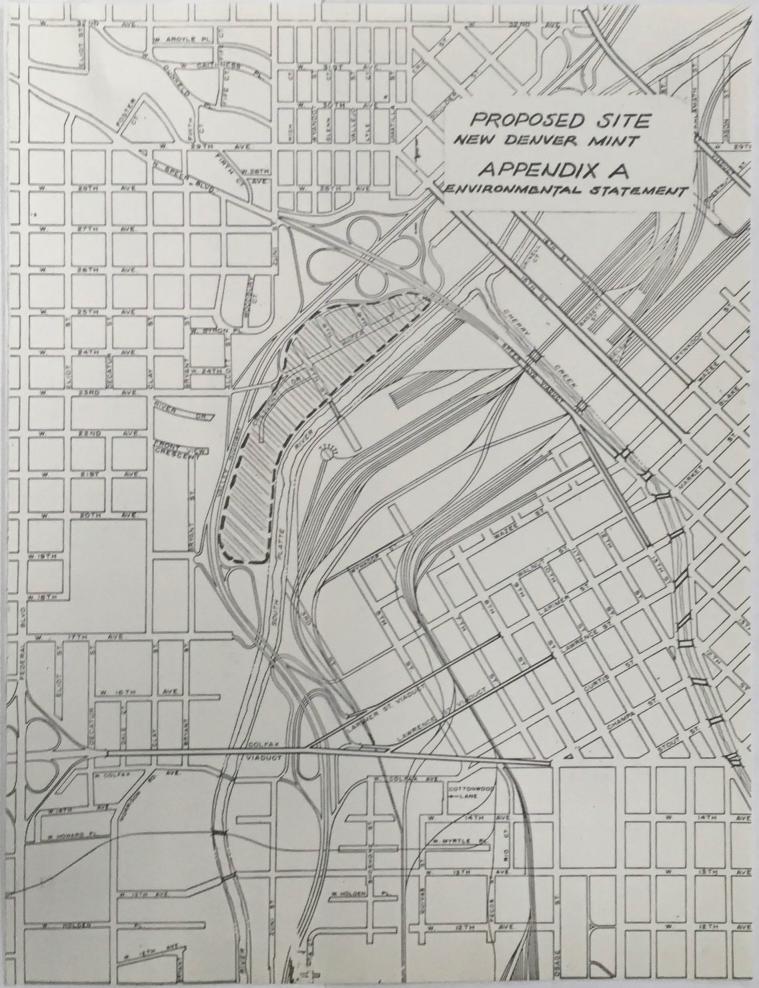












appendices maps tile



Coin Data Tables Like



#### STANDARD U.S. COINAGE ALLOYS

Reference : C-1-(a)
Prepared By: G. Ambrose
Date : 11/29/71

DENOMINATION	COMPOSITION	BLANK T	BLANK THICKNESS			PERCENT METAL			
		(11)	CHES)	COPPER	NICKEL	ZINC	SILVER		
CENT	Copper 95% Zinc 5%	OVERALL	.050	95		5			
NICKEL	Copper 75% Nickel 25%	OVERALL	.0645	75	25				
DIME	OVERALL	OVERALL CLAD .01 CORE .02		91.67 75 100	8.33 25				
12½ CENT	Copper 91.67% Nickel 8.33%		,						
	Copper 75% Nickel 25%								
QUARTER		OVERALL	.0535	91.67	8.33				
	CORE Copper 100%	CLAD .01 CORE .03		75 100	25				
HALF-DOLLAR		OVERALL CLAD .02 CORE .04		91.67 75 100	8.33 25				
DOLLAR		OVERALL CLAD .02 CORE .05		91.67 75 100	8.33 25				
DOLLAR	OVERALL Copper 60% Silver 40%	OVERALL CLAD .02 CORE .06	.090 72 27	60 20 78.5			40 80 21.5 (a)		

## PHYSICAL DIMENSIONS OF BLANKS, UPSET BLANKS AND U.S. COINS (Denver Mint)

Reference : C-1-(b)
Prepared By: G. Ambrose
Date : 11/29/71

	CUT BI	ANKS	UPSET :	BLANKS	COINS		
DENOMINATION	DIAMETER	THICKNESS	DIAMETER	EDGE THICKNESS	DIAMETER	EDGE THICKNESS	
CENT	0.740 + .003	0.050 + .0015	0.738 + .0015	0.057 + .0015	0.750 + .003	0.062 + .003	
NICKEL	0.828 + .003	0.0645 + .00150015	0.825 + .0015	0.068 + .0015	0.835 + .003	0.078 + .005	
DIME	0.695 + .003	0.0407 + .0015	0.687 + .0015	0.048 + .0015	0.705 + .003003	0.053 + .005	
12½ CENT						4	
QUARTER	0.962 + .003	0.0535 + .001	0.936 + .0015	·0.068 + .0015 0015	0.955 + .003003	0.067 + .005	
HALF-DOLLAR	1.195 + .003	0.0685 + .001	1.184 + .0015	0.078 + .0015	1.205 + .003	0.086 + .005	
DOLLAR	1.494 + .003	0.089 + .002	1.480 + .001	0.099 + .0015	1.500 + .003	0.100 + .005	
40% SILVER	1.492 + .003	0.090 + .0015	1.486 + .001	0.101 + .0015	1.500 + .003	0.100 + .005	
		,				(b) '	

#### WEIGHTS AND TOLERANCES OF INDIVIDUAL COINS

Reference : C-1-(c)
Prepared By: G. Ambrose
Date : 11/29/71

DENOMINATION	BLANK WT.	BLANKS PER	BLANKS PER	AVOIR. POUNDS PER BLANK					
	(GRAINS)	TROY OZ.	AVOIR. LB.	COPPER	ZINC	NICKEL	SILVER	TOTAL	
CENT	48	10	145.8	.006514	.000343	.60	1 80	.006857	
NICKEL	77.16	6.22	90.8	.008267		.002756		.011023	
DIME	35	13.71	200	.004584	1	.000416	11.09	.005000	
$12\frac{1}{2}$ CENT									
QUARTER	87.5	5.485	80	.011459		.001041		.012500	
HALF-DOLLAR	175	2.74	40	.022917		.002083		.025000	
DOLLAR	350	1.37	20	.045835		.004165		.050000	
DOLLAR	379.5	1.26	18.4	.032528			.021686	.054214	
								(c)	

# DISTRIBUTION OF COINAGE REQUIREMENTS 3,835,000,000 Pieces Par Shift year

Proposed By: G. Ambonose

Date: 11/20171

LATE	CENT	NICKET	PINE	12/2 CENT	QUARTETE	DOLLAR	POLCAIC	TATAL	-
PIECES PER SHIFT (MILLIONS)	14.58	0.52	0.42	0.31	0.08	0.04	0.02	15. 97	
PIECES PER YEAR (MILLIONS)	3,500	125.0	100.0	75.0	20.0	10.0	5.0	3,835.0	-
COUNTRER SHIPT (POUNDS)	100,000	5,730	2,100	1,940	1,000	1,000	1,000	112,770	
2011 WT. PER YEAR (POUNDS)	24,000,000	1,378,000	500,000	468,750	250,000	250,000	250,000	27,096,750	1 1
BAGS OF GIN (PER SHIFT)	2,916	130	42	40	20	20	20	3,188	
BAGS OF COIN (PERYEAR)	700,000	31,250	10,000	9,375	5,000	5,000	5,000	765,625	
Production	90%	5.16	1.87	0.18	0.93	0.93	0.93	100	The second
PRODUCTION 90 BY PIECES	91.27	3.26	2.61	1.95	0.52	0.26	0.13	100	and the same of
		man the same and an arrange property of						(a)	1

#### END PRODUCT METAL REQUIREMENTS. 7.670,000,000 Pieces Per Year

2. shifts - 5 dayspeck - 240 days/year Reference:

Reference:

Reference:

Reference:

Reference: C-1-(e)
Prepared By: G. Ambrose
Date: 11/30/71

	DENOM.	No. Pieces LBS. PER		No. PIECES	POUNDS PER SHIFT (COINS)					
		PER YEAR	YEAR	Per SHIFT (480 Shifts)	TOTAL	COPPER.	ZINC	NICKEL .	SILVER	
-	CENT	7,600,000,000	48,000,000	14,580,000	100,000	95,000	5,000			
	HICKEL	250,000,000	2,756,000	520,000	5,730	4,300		_1,430		
	DIME	200,000,000	1,000,000	420,000	2,100	1,925		175		
-	12 2 CENT	150,000,000	937,500	310,000	1,940	1,780		160		
-	QUARTER	40,000,000	500,000	80,000	1,000	915		. 85		
-	HALF-POLLAR	20,000,000	500,000	40,000	1,000	915		85		
1	Doubl	_ 10,000,000	500,000	20,000	1,000	915		85		
			3993500							
	DOLLAR									
		• • •							(e)	

#### ESTIMATED PROCESS LOSSES

Reference: C-1-(f)
Prepared by: G. Ambrose
Date: 11/30/71

		Cents			kels	Other		
Process	Scrap Definition	%	#	7%	#	%	#	
		Loss	Mat1.	Loss	Matl.	Loss	Matl.	
Finished coin	None	0	1.000	0	1.000	0	1.000	
Coining	Unacceptable coins	5	1.05263	5	1.05263	5	1.053	
Blanking	Remaining web	30	1.50376	30	1.50376	30	1.504	
Edge trim	Edges & tails	4	1.56642	4	1.56642			
Scalping	Milled surface on strip	12	1.78002	15	1.84282			
Breakdown roll	Scale	2	1.81632	2	1.88042	9		
Cropping	End matl. from ingot	5	1.91191	5	1.97938			
Casting	Spilled material	3	1.97104	3	2.04059			
Melting	Oxidation	2	2.01126	2	2.08223			
	Cupro-Nickel	Strip						
Finished strip	None	0	1.0000					
Edge trim	Edges & tails	4	1.0417					
Scalping	Milled surface on strip	15	1.2255					
Breakdown roll	Scale	2	1.2505					
Cropping	End matl. from ingot	5	1.3163					
Casting	Spilled material	3	1.3570					
Melting	Oxidation	2	1.3847					

	PRE-MELT	METAL RED	UREMENTS		E. Control of the Con	
				Reference	C-1 24 C7 A 11 3	-(b)
DENOMINATION	MATERIAL	PROCESS Loss.	POUND:	s_Per_ SHI	PT	
and the second s		FACTOR	TOTAL	Copper.	ZINC	NICKEL .
CENT	BRONZE Coppor	2.012	201,200	191,140	10,060	
Nicke	Copper NICKEL NICKEL	2.083	11,938	8,960		2,978
			_213,138	200,100	10,060	2,978
		PER YEAR	_102,306,240	96,048,000	4.828,800	1,429,440
						(4)

	*		PROPUETION	SUMMAR	4 - 7.670 x	10 6 GINS PER YE	AR	
		The second state of the Australia	(2 SHIFTS P	en Day - 50A	mys Per week	- 480 SHIFTS Pan	yr.)	1
						Reference:	G. Ambrese	-
				A CONTRACTOR OF STREET			4e; 11/201 11	1
		and the second		T DATA -	1	PRE-MELT	DATA	7
DEN.	PES LB.	Pes. 142.	Pas Shift	LBS shift	LBS. Year.	LBS ShiFT	- LBS YEAR	-
						1		1
CONT	145.8	7,000,000,000	14,580,000	100,000	48,000,000	201, 200	96,576,000	
NICKEL	90.8	250,000,000	570,000	5,730	2,756,000	11, 938	5,730,240	
PIHE.	200	200,000,000	420,000	2,100.	1,000,000			
12/4 年		150,000,000	310,000	1,940	937,500	1		
QTR.	80	40,000,000	80,000	1,000	500,000			
HALF	.40	20,000,000	40,000	1,000	500,000			
					500,000			
POLLAR.	20	10,000,000	20,000	1,000	300,000			-
Top	AL .	7,670,000,000	15,970,000	112,770	54, 193, 500	213, 138	102,306,240	
		"						
					Account of the contract of the contract of the	The second section of the second seco	(h)	

Coin Data Tables File



Cover letter for Reis Like





#### DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20220

MAY 29 1974

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Warren F. Brecht Assistant Secretary for Administration



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FEB 27 1974

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Any comments you might have regarding this project should be submitted by April 22, 1974 to:

FRANK W. RHEA
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Your cooperation is appreciated.

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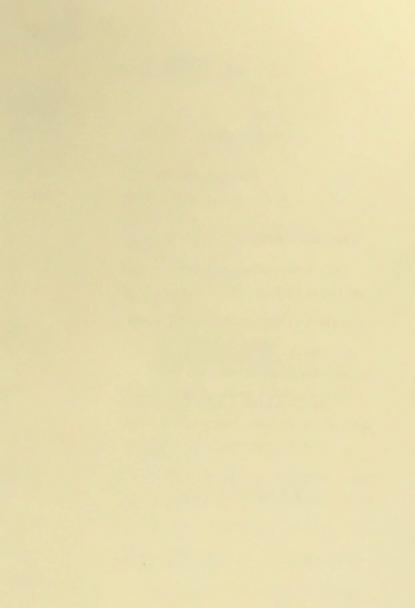
Warren F. Brecht

Marin Fresht

Conor letter for Reis Like



Detailed Monogement Tasks File



### NEW DENVER MINT DETAILED MANAGEMENT TASKS

Responsible Agency Task Mint, GSA Overall project control/management Mint Develop project criteria GSA/Mint Negotiate design contract Mint/GSA/AE Develop project network analysis A/E Process design Mint Review process design/weigh alternatives/make decisions A/E Prepare equipment procurement specifications Mint Review and approve/modify equipment procurement specifications Mint Advertise/award/supervise equipment procurements with A/E Advice & - review certified drawings Assistance - shop inspect manufacture, assembly, test, preparations for shipment - review operations and maintenance manuals Mint Receive equipment, spares, manuals - store as necessary with complete inventory control A/E Prepare site preparation plans and specifications GSA/Mint Review/approve site preparation plans and specifications

GSA/Mint Advertise/award/supervise site preparation contract

A/E Prepare building/site/equipment installation plans and specifications

and specifications

GSA/Mint Review/approve building/site/equipment plans and

specifications

GSA/Mint Advertise/award/supervise construction/equipment installation contract

installation contract

AE/GSA/Mint - Review/approve materials and shop drawings submittals

New Denver Mint Detailed Management Tasks Page Two

Responsible Agency

Task

AE/GSA/Mint

A/E GSA/Mint Mint/Equipment Manufacturers GSA/Mint Resolution of design problems/interpretation of design

- Redesign to accommodate changes

Inspect site/building constructionInspect/supervise equipment installation

Accept completed construction/equipment installation

Mint

Start-Up

- Establish organization/personnel positions
- Prepare job descriptions/establish grades
- Recruit personnel
- Train personnel
  - Operation
  - Maintenance
- Identify equipment, tools and supplies to be relocated from old Mint
- Procure supplies, tools, equipment
- Operate equipment items individually, de-bug

Mint

Relocation/Run-In

- Relocate equipment from old Mint
- Build to synchronized operation of entire plant
- Relocate offices, records, metal stocks, coins, etc. from old Mint
- Close out old Mint

Detailed Moragement Tasks Tile



Federal Register File



RECEIVED

DEC 1 0 1974

OFFICE OF SUPERINTENDENT

IL S. MINT AT DENVER

THURSDAY, DECEMBER 5, 1974

WASHINGTON, D.C.

Volume 39 ■ Number 235

Pages 42335-42669

PART I



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December 51 1974—Pages 42335-42669

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(The items in this list were editorially compiled as an aid to FEDERAL REGISTER users. Inclusion or exclusion from this list has no legal significance. Since this list is intended as a reminder, it does not include effective dates that occur within 14 days of publication.)

Rules Going Into Effect Today

This list includes only rules that were published in the Federal Register after October 1, 1972.

page no.

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TENTION: Questions, corrections, or requests for information regarding the contents of this issue only may made by dialing 202–523–5282. For information on obtaining extra copies, please call 202–523–5240.

obtain advance information from recorded highlights of selected documents to appear in the next issue, 202–523–5022.



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A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1974, and specifies how they are affected.

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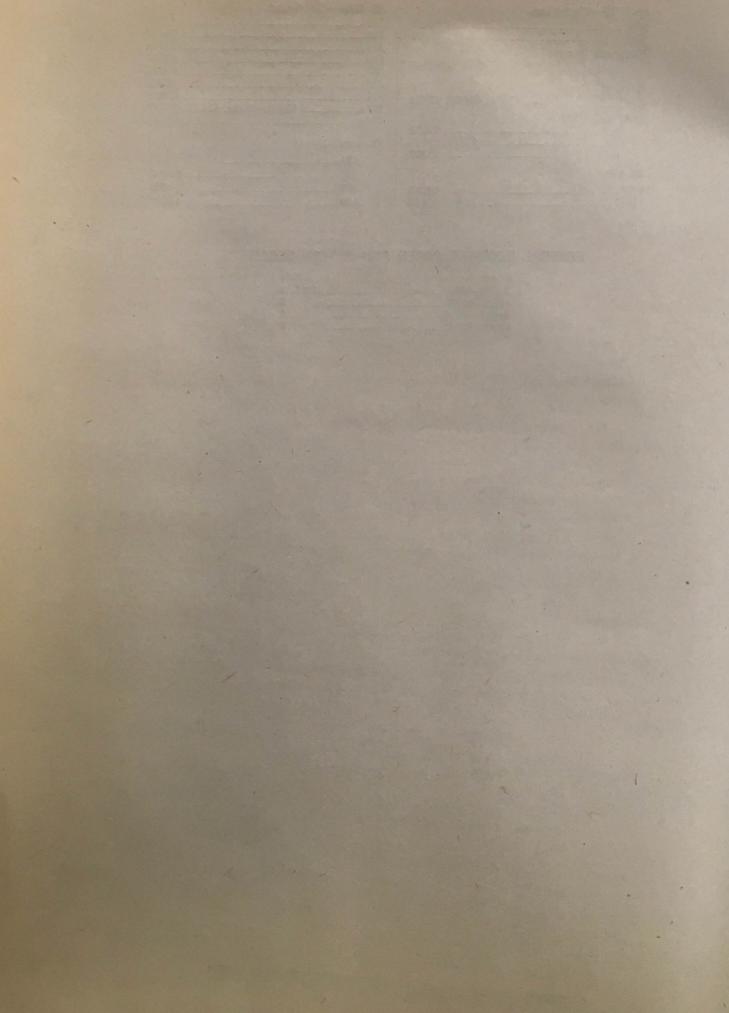
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# presidential documents

Title 3—The President
PROCLAMATION 4337

# Bill of Rights Day Human Rights Day and Week

By the President of the United States of America

## A Proclamation

Two hundred years ago, in September 1774, the First Continental Congress assembled in Carpenters' Hall, in Philadelphia, and set in motion a course of human events which created the United States. The system of government begun there, and the high principles on which it rests, continues today as the source of vitality for our society.

Anticipating the bicentennial of this Nation's independence, now is an excellent time to pause and consider the groundwork the delegates to Philadelphia laid for our independence. The First Continental Congress adopted a resolution asserting, among other things, the rights of the American people to life, liberty, and property; to participation in the legislative councils of government; to the heritage of the common law; to trial by jury; and to assemble and petition for redress of grievances. This resolution foreshadowed the Declaration of Independence and the Bill of Rights.

It is altogether fitting to mark the 200th anniversary of this noble beginning of the Continental Congress. Beyond that, it is imperative that all of us study and cherish the ideas and ideals which bore fruit in the great constitutional documents of our country. At the same time, we should take the opportunity, whenever possible, to strengthen the liberties which have been assured us in the Bill of Rights, ratified one hundred and eighty-three years ago this week, on December 15, 1791.

America's concern with human rights is not something that ends at our borders. Benjamin Franklin wrote to a friend in 1789:

"God grant, that not only the Love of Liberty, but a thorough Knowledge of the Rights of Man, may pervade all the Nations of the Earth, so that a Philosopher may set his Foot anywhere on its Surface, and say, "This is my Country'."

Franklin's spirit of universality has found rich modern expression in the Universal Declaration of Human Rights. The link between it and our Bill of Rights is clear. On December 10, we celebrate the twentysixth anniversary of the Universal Declaration of Human Rights adopted by the United Nations General Assembly. The General Assembly said that the Universal Declaration stands as "a common standard of achievement for all peoples and nations," reminding us that "recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world."

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, do hereby proclaim December 10, 1974, as Human Rights Day and December 15, 1974, as Bill of Rights Day. I call upon the people of the United States to observe the week beginning December 10, 1974, as Human Rights Week. Further, I ask all Americans to reflect deeply on the values inherent in the Bill of Rights and the Universal Declaration of Human Rights and draw on those values to promote peace, justice, and civility at home and around the world.

IN WITNESS WHEREOF, I have hereunto set my hand this third day of December, in the year of our Lord nineteen hundred seventy-four, and of the Independence of the United States of America the one hundred ninety-ninth.

[FR Doc.74-28517 Filed 12-3-74;1:17 pm]

Gerall R. Ford

# rules and regulations

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each month.

### Title 5-Administrative Personnel CHAPTER I-CIVIL SERVICE COMMISSION PART 213-EXCEPTED SERVICE

Department of Defense

Section 213.3206 is amended to show that the following positions are no longer excepted under Schedule B: (1) professional members of the Policy Planning Staff in positions at grades GS-16 and above in the Office of the Assistant Secretary of Defense (International Security Affairs); (2) two Special Projects Directors, GS-15, in the Office of the Deputy Assistant Secretary (Planning and MSC), Office of the Assistant Secretary Defense (International Security Affairs); (3) professional positions above grade GS-15 performing work involving systems, costs, and economic analysis functions in the Office of the Assistant Secretary (Program Analysis and Evaluation), which was formerly designated as the Office of the Assistant Secretary (Systems Analysis); (4) professional positions above grade GS-15 performing work involving systems, costs, and economic analysis functions in the Operations Analysis Group and the Office of the Deputy Assistant Secretary (Management Systems Development), both in the Office of the Assistant Secretary (Comptroller), since these organizations no longer exist; and professional positions at grades GS-16 and above in the Directorate for Special Studies, Office of the Deputy Assistant Secretary (Manpower Requirements and Special Studies), Office of the Assistant Secretary of Defense (Manpower). This section is further amended to reflect the following organizational redesignation: from the Operations Analysis Group and the Office of the Deputy Assistant Secretary (Management Systems Development) to the Office of the Deputy Assistant Secretary (Systems Policy and Information) in the Assistant Secretary Office of the (Comptroller).

Effective December 5, 1974, § 213.3206 (a) (1), and (3) are revoked and (2) is amended as set out below.

#### § 213.3206 Department of Defense.

(a) Office of the Secretary.

(1) [Revoked]

(2) Professional positions at GS-11 through GS-15 involving systems, costs, and economic analysis functions in the Office of the Assistant Secretary (Program Analysis and Evaluation); and in the Office of the Deputy Assistant Secretary (Systems Policy and Information) in the Office of the Assistant Secretary (Comptroller).

#### (3) [Revoked]

(5 U.S.C. sec. 3301, 3302; E.O. 10577, 3 CFR 1954-58 comp. p. 218)

UNITED STATES CIVIL SERV-ICE COMMISSION, JAMES C. SPRY, [SEAL] Executive Assistant to the Commissioners.

[FR Doc.74-28421 Filed 12-4-74;8:45 am]

#### Title 7—Agriculture

CHAPTER IX-AGRICULTURAL MARKET-ING SERVICE (MARKETING AGREE-MENTS AND ORDERS; FRUITS, VEG-NUTS), DEPARTMENT OF FTABLES. AGRICULTURE

[Navel Orange Reg. 329]

PART 907-NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

#### Limitation of Handling

This regulation fixes the quantity of California-Arizona Navel oranges that may be shipped to fresh market during the weekly regulation period December 6-12, 1974. It is issued pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and Marketing Order No. 907. The quantity of Navel oranges so fixed was arrived at after consideration of the total available supply of Navel oranges, the quantity currently available for market, the fresh market demand for Navel oranges, Navel orange prices, and the relationship of season average returns to the parity price for Navel oranges.

## § 907.629 Navel Orange Regulation 329.

(a) Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 907, as amended (7 CFR Part 907), regulating the handling of Navel oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order and upon other available information, it is hereby found that the limitation of handling of such Navel oranges as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) The need for this regulation to limit the respective quantities of Navel oranges that may be marketed from District 1, District 2, and District 3 during the ensuing week stems from the produc-

tion and marketing situation confronting the Navel orange industry.

(i) The committee has submitted its recommendation with respect to the quantities of Navel oranges that should be marketed during the next succeeding week. Such recommendation, designed to provide equity of marketing opportunity to handlers in all districts, resulted from consideration of the factors enumerated in the order. The committee further reports that the fresh market demand for Navel oranges continues to be unsettled. Prices f.o.b. averaged \$3.85 per carton on a reported sales volume of 797 carlots last week, compared with an average f.o.b. price of \$4.31 per carton and sales of 864 carlots a week earlier. Track and rolling supplies at 509 cars were up 37 cars from last week.

(ii) Having considered the recommendation and information submitted by the committee, and other available information, the Secretary finds that the respective quntities of Navel oranges which may be handled should be fixed

as hereinafter set forth.

(3) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this regulation until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this regulation is based became available and the time this regulation must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and notice thereof, to consider supply and market conditions for Navel oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Navel oranges; it is necessary. in order to effectuate the declared policy of the act, to make this regulation effective during the period herein specified; and compliance with this regulation will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on December 3, 1974.

(b) Order. (1) The respective quantities of Navel oranges grown in Arizona and designated part of California which may be handled during the period December 6, 1974, through December 12, 1974, are hereby fixed as follows:

(i) District 1: 1,302,000 cartons;(ii) District 2: Unlimited movement;

(iii) District 3: 98,000 cartons."

(2) As used in this section, "handled,"
"District 1," "District 2," "District 3,"
and "carton" have the same meaning as
when used in said amended marketing
agreement and order.

(Secs. 1-19, 48 Stat. 31, as amended, 7 U.S.C. 601-674)

Dated: December 4, 1974.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural
Marketing Service.

[FR Doc.74-28612 Filed 12-4-74;12:02 pm]

Title 9—Animals and Animal Products

CHAPTER III—ANIMAL AND PLANT HEALTH INSPECTION SERVICE (MEAT AND POULTRY PRODUCTS INSPECTION), DEPARTMENT OF AGRICULTURE

PART 317—LABELING, MARKING DEVICES, AND CONTAINERS

PART 381—POULTRY PRODUCTS INSPECTION REGULATIONS

Use of Terms "All," "Pure," and "100%" on Labels

On January 23, 1974, there appeared in the Federal Register (39 FR 2609) a notice of proposed rulemaking under the authority conferred by the Federal Meat Inspection Act and the Poultry Products Inspection Act to amend the regulations under said Acts to prohibit the use of terms, such as "all", "pure", and "100%", on meat and poultry product labels in a manner that might be misleading.

Statement of Considerations: A total of 34 responses to the proposal were received. Twenty-four of the responses came from consumers, all but three of whom favored the proposal. Also in favor of the proposal were two State agencies and one consumers' organization. Consumers stated the following as their rea-

sons for favoring the proposal:

1. Most people are misled by the use on product labels of terms such as "all", "pure", or "100%".

2. Many products labeled "all", "pure", or "100%", actually contain additives.

- 3. Terms such as "all", "pure", and "100%", should be reserved for products which do not contain additives or other ingredients.
- 4. Consumers often read no further when terms such as "all", "pure", or "100%", appear on a product label.
- 5. Labels which read "Pure Lard" and contain additives are misleading.

Many of the consumer responses suggested that the Department should go beyond the provisions of the proposal

and require percentage labeling of additives or ingredients and the removal of all chemical additives from meat and poultry products. The Department permits only those chemical additives that it has determined by available information do not render products adulterated within the meaning of the Acts, and only in amounts necessary to produce the intended results. Chemical additives must be shown on product labels individually and by their common or usual name. Consumers are, therefore, provided with truthful and informative labeling at the point of purchase by which they can make knowledgeable selections.

As far as percentage labeling is concerned, the Department considers it to be of such vital importance to all concerned that the Administrator will deal with it in a future notice of rulemaking. The Department has had a voluntary percentage labeling program available to processors for over a year; however, very few companies have taken advantage of

this program.

Expressing views against the proposal, in addition to the three consumers referred to above, were two meatpackers, three industry associations, and a container manufacturer whose comments were endorsed by a Member of Congress. The points raised by these respondents and the Administrator's responses are as follows:

1. One comment disagreed with the ruling of the U.S. District Court in the case of "Federation of Homemakers v. Butz" (328 F. Supp. 181, D.C. 1971) that the "ordinary meaning" of the term "all" on a product is that no other ingredients or additives are present in the product. The respondent acknowledged that the court's interpretation conformed to the dictionary definition of the term, but that according to common usage by the consumer over the years, such an interpretation is not correct. The Department was strongly urged by the respondent to seek a reversal of the ruling of the District Court. The Department did appeal the case to the U.S. Court of Appeals for the District of Columbia which in a court decision on August 18. 1972, affirmed the District Court's judgment with minor modifications (See 466 F.2d 462). The court rejected the Department's arguments that the term "all" referred only to the meat ingredient and was employed to distinguish such product from those containing binders and extenders, and that the label was cured by the ingredients statement.

2. Several comments stated that the court decision in the case of "Federation of Homemakers v. Butz" is applicable only to cooked sausages and not to any other product.

The Administrator does not agree with this interpretation of the decision. A term found to be misleading within the meaning of the Act in one case may be considered as misleading whenever used in a similar manner and for a similar purpose, regardless of the product involved. The use of similar terms, such as "pure" or "100%", may also be misleading when similarly used. Section 1(n) (1)

of the Federal Meat Inspection Act defines a product as misbranded "if its labeling is false or misleading in any particular." The Administrator finds that it would be extremely confusing to consumers if some labels could use such terms as "All Beef" or "All Meat" in connection with a product which is not entirely beef or meat, and others containing similar ingredients could not use such terms.

3. One comment against the proposal stated, "It is best to leave labels on the products 'as is' to avoid more confusion to the buyers."

However, the responses of most consumers to the proposal indicated that limiting the use of terms such as "all", "pure", and "100%" to the labels of products with only one ingredient would eliminate confusion, clarify product identity, and remove any possibility of misleading information on product labels.

4. One comment suggested a specific need for the use of the term in the case of shortenings. The respondent stated that "When the ingredient listing only indicates 'shortening', for example, we have no idea whether it is of vegetable or animal origin."

The Administrator agrees that an ingredient listed as "shortening" does not provide sufficient information regarding the composition of the shortening. This has been a longstanding practice in all food labeling which is presently under review and will be dealt with in a separate notice of proposed rulemaking.

5. Several respondents were against the proposal because of the high cost of making label changes which they said must be absorbed by the packer and

passed on to the consumer.

The Administrator indicated in the proposal that he was aware of the extensive labeling changes that would be required and would take that into consideration in the final notice. These amendments are not to become effective until December 31, 1975. Therefore, all concerned will have until December 31, 1975, to bring all labels into compliance with these amendments. This time allowance should permit ample opportunity for packers to exhaust current label stocks and decrease the cost of label changes.

6. One comment suggested that the proposed regulation is not in accordance with the provisions of the Federal Meat Inspection Act in that section 7(d) of the Act specifically authorizes the use of "established trade names" on meat products. It was claimed that certain names have become familiar to consumers through many years of use and serve to identify classes of product and to distinguish such classes of product from others. Section 7(d) of the Act, however, authorizes only those "established trade names" that "are not false or misleading." The fact that some consumers may have become familiar with a particular trade name does not render that particular name in compliance with the

requirements of the Act or with the decision of the court in "Federation of Homeowners v. Butz."

7. Comments suggested that the proposal is not consistent with labeling practices in the food industry generally. Photographs were submitted showing such foods as "100% Whole Wheat Bread, calcium propionate added to retard spoilage", "Pure Prepared Mustard", "All Butter Enriched Bread", "Pure Safflower Oil containing a preservative", and "Pure Egg Noodle", all of which contain more than one ingredient.

However, the examples cited are for nonmeat and nonpoultry foods which are not under the jurisdiction of the Department of Agriculture and are therefore not subject to the proposed regulation. Most consumer responses supported the proposal limiting the use of terms such as "all", "pure", or "100%" to products containing only the ingredient identified without additives. Based on all the responses and other available information, the Administrator concludes that the continued use of such terms on product labels would be misleading to consumers and would not be in accord with the Federal Meat Inspection Act and the Poultry Products Inspection Act. The amendment should not impose any undue hardships upon the meat and poultry processors and packers. Although denied the use of purity terms to describe their meat and poultry products formulated with more than one ingredient they will be permitted to inform the consumer about the quality of their products by other labeling, e.g. percentage labeling, which is not false or misleading and which is approved by the Department under the Acts.

8. Another comment suggested that the poultry industry needed the term "all" to properly inform consumers whether the meat in the product was white or dark.

The Administrator does not agree. The poultry products inspection regulations provide that where the color of poultry meat in a product has a material bearing on consumer preferences, the product label must state the color of the meat contained therein. A product whose meat content is white meat only must be labeled "white meat", and if the meat content is only dark meat, the product must be labeled "dark meat". When the meat content is both white and dark meat, the product label must so state this fact. The Administrator concludes that present poultry products inspection reg-ulations provide adequate labeling requirements to properly inform consumers of the meat color in poultry products without the need of additional terminology.

As no substantive facts were presented that would warrant changes to the proposal as published, and after considering all information available to the Department, including the comments received pursuant to the notice, § 317.8(b) of the meat inspection regulations (9 CFR

317.8(b)) and § 381.129(b) of the poultry products inspection regulations (9 CFR 381.129(b)) are adopted as set forth in the proposal.

(Secs. 7 and 21, 34 Stat. 1260, as amended, 21 U.S.C. 607, 621; Secs. 8 and 14, 71 Stat. 441, as amended, 21 U.S.C. 457, 463; 37 FR 28464, 28477)

It does not appear that further public participation in rulemaking proceedings on these amendments would make additional relevant information available to the Department which would alter the decision. Therefore, under the administrative procedure provisions in 5 U.S.C. 553, it is found upon good cause that further notice and other public procedure concerning these amendments are impracticable and unnecessary.

These amendments shall become effective December 31, 1975.

Done at Washington, D.C., on: December 2, 1974.

F. J. MULHERN, Administrator, Animal and Plant Health Inspection Service.

- 1. In § 317.8 paragraph (b) (34) is added to read as follows:
- § 317.8 False or misleading labeling or practices generally; specific prohibitions and requirements for labels and containers.

(b) \* \* \*

- (34) The terms "All," "Pure," "100%," and terms of similar connotation shall not be used on labels for products to identify ingredient content, unless the product is prepared solely from a single ingredient.
- 2. In § 381.129 paragraph (b) (5) is added to read as follows:
- § 381.129 False or misleading labeling or containers.

(b) \* \* \*

(5) The terms "All," "Pure," "100%," and terms of similar connotation shall not be used on labels for products to identify ingredient content, unless the product is prepared solely from a single ingredient.

[FR Doc.74-28459 Filed 12-4-74;8:45 am]

Title 12—Banks and Banking

CHAPTER III—FEDERAL DEPOSIT INSURANCE CORPORATION

SUBCHAPTER B-REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 329-INTEREST ON DEPOSITS

Special Category of Time Deposits

After consultation and coordination with the Board of Governors of the Federal Reserve System and the Federal Home Loan Bank Board as prescribed by section 18(g) of the Federal Deposit Insurance Act, 12 U.S.C. 1828(g), it was determined to be in the public interest to create a special category of time deposits of public units as defined in section 3(m) of the Federal Deposit Insurance Act (12 U.S.C. 1813(m)). Specifically the

amendments will allow the payment of interest on public unit time deposits of less than \$100,000 at a rate equal to the maximum rate (presently 7½ percent) that may be paid on such deposits by any State nonmember bank (including a mutual savings bank) subject to the Corporation's regulations governing payment of interest on deposit accounts. In addition, all such banks may now hold savings deposits of public units.

1. Section 329.1 of the regulations of the Corporation governing interest on deposits is amended by revising paragraph (e) (1) and footnote 4 as follows:

§ 329.1 Definitions.

.

(e) Savings deposits. (1) The term "savings deposit" means a deposit:

(i) Which consists of funds deposited to the credit of one or more individuals, or of a public unit, as defined in section 3(m) of the Federal Deposit Insurance Act, or of a corporation, association, or other organization operated primarily for religious, philanthropic, charitable, educational, fraternal, or other similar purposes and not operated for profit, or in which the entire beneficial interest is held by one or more individuals or public units, or by such a corporation, association, or other organization; and

2. In § 329.6, paragraph (b) (1) is amended and a new paragraph (b) (3) is added as follows:

§ 329.6 Maximum rates of interest payable on time and savings deposits by insured nonmember banks other than insured nonmember mutual savings banks.<sup>12</sup>

(b) Deposits of less than \$100,000. (1) Except as provided in paragraphs (b) (2) and (3) of this section, no insured non-member bank shall pay interest on any time deposit of less than \$100,000 at a rate in excess of the applicable rate under the following schedule: \* \*

(2) \* \* \*

(3) Time deposits of public units. No insured nonmember bank shall pay interest on any time deposit of a public unit as defined in section 3(m) of the Federal Deposit Insurance Act at a rate in excess of the maximum rate that may be paid on any time deposit of less than \$100,000 by any insured nonmember bank (including a mutual savings bank) subject to the provisons of this Part.

<sup>4</sup>Deposits in joint accounts of two or more individuals may be classified as savings deposits if they meet the other requirements of the above definition, but deposits of a partnership operated for profit may not be so classified. Deposits to the credit of an individual or a public unit of funds in which the beneficial interest is held by a corporation, partnership, association, or other organization operated for profit or not operated primarily for religious, philanthropic, charitable, educational, fraternal, or other similar purposes may not be classified as savings deposits, except as otherwise permitted in this paragraph.

- 3. In § 329.7, paragraphs (b) (1) and (3) are revised and a new paragraph (b) (5) is added as follows:
- § 329.7 Maximum rates of interest or dividends payable on deposits by insured nonmember mutual savings banks."
- (b) Maximum rates payable. (1) General. (i) Except as provided in paragraphs (b) (2), (3), (4) and (5) and paragraph (e) of this section, no insured nonmember mutual savings bank shall pay interest or dividends at a rate in excess of 51/4 percent per annum on any deposit, Section 329.3(b), relating to modification of deposit contracts to conform to regulations, shall apply to insured nonmember mutual savings banks.

(2) . . .

- (3) Time deposits of less than \$100,000. Except as provided in paragraphs (b) (4) and (5) of this section, no insured nonmember mutual savings bank shall pay interest or dividends on any time deposit of less than \$100,000 at a rate in excess of the applicable rate under the following schedule: \* (4)
- (5) Time deposits of public units. No insured nonmember mutual savings bank shall pay interest or dividends on any time deposit of a public unit as defined in section 3(m) of the Federal Deposit Insurance Act at a rate in excess of the maximum rate that may be paid on any time deposit of less than \$100,000 by any insured nonmember bank (including a mutual savings bank) subject to the provisions of this Part.

(Sec. 9, 64 Stat. 881, 12 U.S.C. 1819; Sec. 18, 64 Stat. 893, 80 Stat. 824, 12 U.S.C. 1828)

- 4. Inasmuch as these amendments enlarge existing rights afforded by those previously existing regulations which they amend, the Corporation's Board of Directors found that no purpose would be served by following the provisions of sections 553(b) and 553(d) of Title 5 of the United States Code and §§ 302.1, 302.2, and 302.5 of the rules and regulations of the Federal Deposit Insurance Corporation, with respect to notice, public participation, and deferred effective date.
- 5. Effective date. This regulation is effective November 27, 1974.

By order of the Board of Directors, November 26, 1974.

> FEDERAL DEPOSIT INSURANCE CORPORATION.

[SEAL] ALAN R. MILLER,

Executive Secretary.

[FR Doc.74-28454 Filed 12-4-74;8:45 am]

CHAPTER V-FEDERAL HOME LOAN BANK BOARD

SUBCHAPTER C—FEDERAL SAVINGS AND LOAN SYSTEM

[No. 74-1220]

### PART 544-CHARTER AND BYLAWS PART 545—OPERATIONS

**Amendments Relating to Advisory** Directors

NOVEMBER 22, 1974.

The following summary of the amendments adopted by this resolution is provided for the reader's convenience and is subject to the full explanation in the following preamble and to the specific provisions of the regulations.

I. Regulation Prior to Present Amendments. Section 544.6(h)(2) permits a Federal association to adopt the following optional bylaw concerning advisory directors:

A. Advisory directors are appointed and their compensation determined by the association's board of directors.

B. Only former directors (including former directors of merged associations) are eligible.

C. Advisory directors may attend board of directors meetings but may not vote.

Section 545.6-8 prohibits loans (other than home loans) to certain insiders.

II. Proposed Amendments. A. Revoke optional bylaw 544.6(h) (2)

B. Add new § 545.26: 1. Would permit a Federal association to establish one or more advisory boards to advise the association concerning the operations of a branch office and other matters.

2. Advisory boards would be subject to the following limitations:

a. Fees to each advisory director not to exceed fees to a member of the board of directors.

b. Fees to be paid only for attendance at advisory board meetings.

c. Fees not to be paid for more than 12 advisory board meetings per year.

d. Each advisory director to be appointed on a year-to-year basis.

- e. Advisory directors may attend meetings of board of directors but may not vote.
- C. Revise § 545.6-8: Would add advisory directors to list of insiders who may not borrow from the association except on the security of his home.

III. Final Amendments. A. Revoke § 544.6(h) (2), as proposed.

- B. Add new § 545.26: 1. New § 545.26 concerns yearly appointment of advisory directors and their attendance and voting at board meetings.
- 2. Provisions of proposed new § 545.26 concerning fees of advisory directors are reproposed in connection with conflicts of interest proposal (Resolution No. 75-1219, dated November 22, 1974).

C. Section 545.6-8 not revised: 1. Limitations on loans to advisory directors reproposed in conjunction with conflicts of interest proposal.

2. Section 545.6-8 would be revoked in conjunction with conflicts of interest

proposal.

The Federal Home Loan Bank Board. by Resolution No. 74-62, dated January 30, 1974, proposed to amend Parts 544 and 545 of the rules and regulations for the Federal Savings and Loan System (12 CFR Parts 544 and 545) by revoking § 544.6(h) (2), by adding a new § 545.26 and by revising § 545.6-8. By a companion Resolution (Resolution No. 74-63; January 30, 1974), the Board also proposed to amend Part 563 of the Rules and Regulations for Insurance of Accounts (12 CFR Part 563) by revising § 563.34 thereof. Notice of such proposed rule makings was duly published in the Ference Register on February 20, 1974 (39 FR 5199 and 5200) with an invitation for interested persons to submit written comments by March 12, 1974. On the basis of its consideration of all relevant material presented by interested persons and otherwise available, the Board considers it advisable to adopt the amendments proposed by Resolution No. 74-62 with the changes discussed herein.

Section 544.6(h) (2) permits a Federal association to adopt a bylaw providing for advisory directors, subject to the following constraints: (1) advisory directors must be appointed and their compensation determined by the association's board of directors, (2) only former directors of such association (including former directors of merged institutions) are eligible to serve on its advisory board, and (3) advisory directors may be permitted to attend meetings of the association's board of directors but may not be permitted to vote on any matter acted on by such board. Section 544.6(h) (2) is revoked, as proposed. The validity of an optional bylaw previously adopted by any association pursuant to § 544.6(h) (2)

will not be affected.

The proposal would have replaced revoked § 544.6(h) (2) with new § 545.26. Said proposed § 545.26 would have (1) permitted a Federal association to establish one or more advisory boards of directors or advisory committees to advise the association concerning the operations of a branch office and other matters, (2) required advisory directors to be appointed on a year-to-year basis, and (3) permitted advisory directors to attend meetings of the association's board of directors but prohibited advisory directors from voting on matters acted on by the board of directors. Proposed new § 545.26 would also have subjected Federal associations to the following three restrictions concerning the fees paid to advisory directors: (1) the fees to each advisory director could not exceed the fees paid to a member of the association's board of directors, (2) fees could be paid only for attendance at advisory board meetings, and (3) fees could not be paid for more than twelve advisory board meetings per year. The provisions of proposed new \$ 545.26 concerning the authority to establish advisory board of directors and advisory committees, the reguired term of appointment of advisory directors and attendance and voting rights of advisory directors at board of directors meetings are adopted as proposed. The provisions of proposed § 545.26 concerning the fees paid to advisory directors by a Federal association are hereby withdrawn. However, somewhat different limitations on the fees paid to advisory directors (as well as other insiders) are proposed as new § 563.41 of the conflicts of interest proposal (Resolution No. 74-1219, dated November 22, 1974). The Board believes that these limitations are more appropriately considered in the context of the other parts of the conflicts of interest proposal.

In conjunction with proposed new \$545.26, the Board also proposed to amend \$545.6-8 by adding members of advisory boards of directors and advisory committees to the list of insiders to whom a Federal association could not make loans other than home or combination home and business loans. The proposed amendment to \$545.6-8 is hereby withdrawn. However, \$545.6-8 would be revoked by the above-mentioned conflicts of interest proposal and replaced by new \$563.43.

Resolution No. 74-63 would have amended § 563.34 of the Insurance Regulations to include members of an advisory board of directors or advisory committee within the groups defined as constituting an "interlock." An "interlock" is the term used in § 563.34 to describe the relationship between an insured institution and its depository. The conflicts of interest proposal also withdraws the amendments to § 563.34 which were proposed by Resolution 74-63.

Accordingly, the Federal Home Loan Bank Board hereby amends Part 544 by reveking § 544.6(h) (2) thereof and redesignating § 544.6(h) (1) as § 544.6(h) and amends Part 545 by adding a new § 545.26 thereto, to read as set forth below, effective January 6, 1975.

#### § 544.6 [Amended]

1. In § 544.6 paragraph (h) (2) is deleted and (h) (1) redesignated as (h).

2. Section 545.26 is added to read as follows:

§ 545.26 Advisory boards or committees.

The board of directors of a Federal association may establish one or more advisory boards of directors or advisory committees. Such advisory boards or committees may be established for the purpose of advising an association concerning matters related to the operations of a branch office of the association or for such other purposes as the association's board of directors may authorize.

Such advisory boards or committees shall be subject to the following limitations:

(a) Each member of such an advisory board or committee shall be appointed by the association's board of directors on a year-to-year basis; and

(b) Members of such an advisory board or committee may be permitted to attend meetings of the association's board of directors, but shall have no vote at such meeting on any matter acted upon by the association's board of directors.

(Sec. 5, 48 Stat. 132, as amended; 12 U.S.C. 1464. Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943-48 Comp., p. 1071)

By the Federal Home Loan Bank Board.

[SEAL] GRENVILLE L. MILLARD, Jr.,
Assistant Secretary.

[FR Doc.74-28462 Filed 12-4-74;8:45 am]

#### Title 14—Aeronautics and Space

# CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Airworthiness Docket No. 74-SW-48; Amdt. 39-2039]

## PART 39—AIRWORTHINESS DIRECTIVES Bell Model 206A & B Helicopters

There have been inflight failures of the rotor brake disc used in the P/N 206-706-032-1 Rotor Brake Kit installed on Bell Model 206A and 206B helicopters. These failures occurred when the brake disc was rotating at normal engine operating speed and resulted in segments of the disc striking and seriously damaging critical components of the helicopter.

Since this condition is likely to exist or develop in other model 206A and 206B helicopters, an airworthiness directive is being issued to require this type of rotor brake disc to be removed from service.

Since a situation exists that requires immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable, and good cause exists for making this amendment effective in less than 30 days.

As a matter of record, the rotor brake assembly is optional for these helicopters and is not required for safety. Also, suitable brake disc assemblies of an improved design are available to replace the P/N 206-706-032-1 Rotor Brake Kit Assembly.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator (31 FR 13697), § 39.13 of Part 39 of the Federal Aviation Regulations is amended by adding the following new airworthiness directive:

Bell: Applies to Model 206A and 206B helicopters certificated in all categories and equipped with Rotor Brake Kit, P/N 206-706-032-1.

Compliance required within the next ten hours' time in service after the effective date of this airworthiness directive unless already accomplished.

To prevent failure of the rotor brake disc which could cause serious damage to critical components of the helicopter, accomplish the following:

a. Remove the engine to transmission driveshaft and aft coupling. (Refer to Section VI of the Maintenance and Overhaul Manual.)

b. Remove the Rotor Brake Disc Assembly P/N 4000071 or 4000071-1, attachment bolts and gasket from the coupling and discard.

c. Reinstall the coupling and driveshaft as described in the Maintenance and Overhaul Manual.

d. Disable the brake by removing the P/N 156F538-4S-0061 hose assembly between the rotor brake and firewall and capping the AN833-4C elbows with AN929-4J caps or equivalent.

e. Bell Service Bulletin No. 206-50-74-1, Revision A, dated October 29, 1974 or later FAA/DER Approved Revision, includes equivalent instructions for these procedures and lists alternate FAA approved rotor brake configurations.

f. Equivalent methods of compliance with this Airworthiness Directive must be approved by the Chief, Engineering and Manufacturing Branch, Flight Standards Division, Southwest Region, Federal Aviation Administration.

This amendment becomes effective December 16, 1974.

(Secs. 313(a), 601, and 603 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, and 1423); sec.\*6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Fort Worth, Texas on November 22, 1974.

A. H. THURBURN,

Director,

Southwest Region.

[FR Doc.74-28360 Filed 12-4-74;8:45 am]

[Airspace Docket No. 74-EA-75]

# PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE AND REPORTING POINTS

#### **Alteration of Transition Area**

The Federal Aviation Administration is amending § 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the Blackstone, Va. (39 FR 456) and Ogdensburg, N.Y. (39 FR 557) Transition Areas.

Due to a recent renaming of the airports which are the subject of the transition areas, an editorial change is required in the description of the areas.

Since the amendment is editorial in nature, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

In view of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective December 5, 1974, as follows:

- 1. Amend § 71.181 of Part 71, Federal Aviation Regulations so as to alter the description of the Blackstone, Virginia 700-foot floor Transition Area by deleting, "Blackstone AAF" and by substituting, "Blackstone AAF-Allen C. Perkinson Municipal Airport" therefor.
- 2. Amend § 71.181 of Part 71, Federal Aviation Regulations so as to alter the description of the Ogdensburg, N.Y. 700foot floor Transition Area by deleting, "Ogdensburg Municipal Airport" and by

substituting, "Ogdensburg International Airport" therefor.

(Sec. 307(a) of the Federal Aviation Act of 1958 [72 Stat. 749; 49 U.S.C. 1348] and sec. 6(c) of the Department of Transportation Act [49 U.S.C. 1655(c)])

Issued in Jamaica, N.Y., on November 22, 1974.

James Bispo, Deputy Director, Eastern Region.

[FR Doc.74-28361 Filed 12-4-74; 8:45 am]

[Airspace Docket No. 74-EA-72]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE AND REPORTING POINTS

## Alteration and Designation of Transition Area

On page 36972 of the Federal Register for October 16, 1974, the Federal Aviation Administration published a proposed rule which would alter the Westminster, Md., Transition Area (39 FR 611) and designate a Westminister, Md. (Clearview Airpark) Transition Area.

Interested parties were given 30 days after publication in which to submit written data or views. No objections to the proposed regulations have been re-

ceived.

In view of the foregoing, the proposed regulations are hereby adopted, effective 0901 G.m.t. January 30, 1975.

(Sec. 307(a) of the Federal Aviation Act of 1958 [72 Stat. 749; 49 U.S.C. 1348], and sec. 6(c) of the Department of Transportation Act (40 U.S.C. 1655(c)])

Issued in Jamaica, N.Y., on November 22, 1974.

James Bispo, Deputy Director, Eastern Region.

- 1. Amend § 71.181 of Part 71, Federal Aviation regulations so as to amend the Westminster, Md. Transition Area by deleting the caption "Westminster, Md." and inserting the caption "Westminster, Md. (Westminster Airport)" in lieu thereof.
- 2. Amend § 71.181 of Part 71, Federal Aviation regulations so as to designate a Westminster, Md. (Clearview Airpark) Transition Area as follows:

WESTMINSTER, MD. (CLEARVIEW AIRPARK)

That airspace extending upward from 700 feet above the surface within a 5-mile radius of the center, 39°26'01" N., 77°01'06" W. of Clearview Airpark, Westminster, Md.; within a 5.5-mile radius of the center of the airport, extending clockwise from a 350" bearing to extending clockwise from a 350" bearing to 2.5 miles each side of the Westminster VORTAC 046" radial, extending from the 5-mile radius area to 6 miles northeast of the VORTAC. This Transition Area is effective from sunrise to sunset, daily.

[FR Doc. 74-28362 Filed 12-4-74; 8:45 am]

[Airspace Docket No. 74-EA-70]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CON-TROLLED AIRSPACE AND REPORTING POINTS

#### **Designation of Transition Area**

On page 36973 of the Federal Register for October 16, 1974, the Federal Aviation Administration published a proposed rule which would designate a Clearfield, Pa., Transition Area.

Interested parties were given 30 days after publication in which to submit written data or views. No objections to the proposed regulations have been received.

In view of the foregoing, the proposed regulations are hereby adopted, effective 0901 G.m.t. January 30, 1975.

(Sec. 307(a) of the Federal Aviation Act of 1958 [72 Stat. 749; 49 U.S.C. 1348], and sec. 6(c) of the Department of Transportation Act [49 U.S.C. 1655(c)])

Issued in Jamaica, N.Y., on November 22, 1974.

James Bispo, Deputy Director, Eastern Region.

 Amend § 71.181 of Part 71 Federal Aviation Regulations by adding the following:

#### CLEARFIELD, PA.

That airspace extending upward from 700 feet above the surface within an 8.5-mile radius of the center, 41°02′57′N., 76°24′53′′W., of Clearfield-Lawrence Airport, Clearfield, Pa., within a 10-mile radius of the center of the airport, extending clockwise from a 134° bearing to a 238° bearing from the airport; within an 11.5-mile radius of the center of the airport, extending clockwise from a 238° bearing to a 057° bearing from the airport.

[FR Doc.74-28363 Filed 12-4-74;8:45 am]

SUBCHAPTER F-AIR TRAFFIC AND GENERAL OPERATING RULES

[Reg. Docket No. 14139; Amdt. 95-253]

## PART 95—IFR ALTITUDES Miscellaneous Changes

The purpose of this amendment to Part 95 of the Federal Aviation Regulations is to make changes in the IFR altitudes at which all aircraft shall be flown over a specified route or portion thereof. These altitudes, when used in conjunction with the current changeover points for the routes or portions thereof, also assure navigational coverage that is adequate and free of frequency interference for that route or portion thereof.

As a situation exists which demands immediate action in the interest of safety, I find that compliance with the notice and procedure provisions of the Administrative Procedure Act is impracticable and that good cause exists for making

this amendment effective within less than 30 days from publication.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator (24 FR 5662). Part 95 of the Federal Aviation Regulations is amended, effective January 2, 1975 as follows:

1. By amending Subpart C as follows:

Section 95.48 Green Federal Airway 8 is amended to read in part:

#### From; to; and MEA

Driftwood Bay, Alaska, LF/RBN; Mordi INT, Alaska; 9,000.

Mordi INT, Alaska; \*Fort Randall, Alaska LF/RBN; 6,000. \*5,300—MCA Fort Randall LF/RBN, southwest-bound. (8,000 MEA required without HF airborne communication equipment).

Fort Randall, Alaska; LF/RBN; Depth INT, Alaska; 4,500.

Depth INT, Alaska; Naknek River, Alaska, LF/RBN; 8,000.

Section 95.51 Green Federal Airway
11 is amended to read:

Depth INT, Alaska; Port Heiden, Alaska, LF/RBN; \*3,000. \*1,900—MOCA.

Port Heiden, Alaska, LF/RBN; Width INT, Alaska; 9,000. Width INT, Alaska; Woody, Island, Alaska

Width INT, Alaska; Woody Island, Alaska, LF/RBN, \*7,000. \*5,900—MOCA. Section 95.101 Amber Federal Airway

1 is amended to read in part: Sandspit, B.C. Can., LF/RBN; Moche INT.

Alaska; #5,000. For that airspace over U.S territory.

Moche INT, Alaska; Sitka, Alaska, LF/RBN;

5;200. Sitka, Alaska, LF/RBN; Hapit INT, Alaska;

Hapit INT, Alaska; Ocean Cape, Alaska, LF/RBN: 6,000.

Cape Yakataga INT, Alaska; Corva INT, Alaska; 5,000.

Corva INT, Alaska; \*Egg Island INT, Alaska; 2,000. \*2,500—MCA Egg Island INT, westbound.

Section 95.240 Red Federal Airway 40 is amended to read:

Woody Island, Alaska, LF/RBN; Kachemak, Alaska LF/RBN; 6,000.

Kachemak, Alaska, LF/RBN; Skila INT, Alaska; 5,000.

Skila INT, Alaska; Campbell Lake, Alaska, LF/RBN; 2,500.

Section 95.303 Red Federal Airway 103 is amended to read:

Wildwood, Alaska LF/RBN; \*Skila INT, Alaska; 2,000. \*5,800—MCA Skila INT, southeast-bound. Skila INT, Alaska; Cleare INT. Alaska;

Skila INT, Alaska; Cleare INT, Alaska; \*9,000. \*8,800—MOCA.

Cleare INT, Alaska; Wessels, Alaska, LF/ RBN; 2,000.

Section 95.625 Blue Federal Airway 25 is amended to read:

Cleare INT, Alaska; Hinchinbrook, Alaska, LF/RBN; 4,000.

Hinchinbrook, Alaska, LF/RBN; \*Sheep Bay INT, Alaska; 4,000. \*5,200—MCA Sheep Bay INT, northbound.

Sheep Bay INT, Alaska; Glenallen, Alaska, LF/RBN; 10,000, Glenallen, Alaska, LF/RBN; \*Delta Junction, Ark., LF/RBN; 12,000. \*9,200—MCA Delta Junction LF/RBN

Section 95.679 Blue Federal Airway 79 is amended to read:

U.S. Canadian Border; Nichols, Alaska LF/ RBN: 5.000.

Nichols, Alaska LF/RBN; Silka, Alaska, LF/ RBN; 6,900.

LF/RBN; Sisters Island, Sitka, Alaska Alaska, LF/RBN; 6,500.

Sisters Island, Alaska, LF/RBN; Hapit INT, Alaska; 6,000.

Section 95.1001 Direct Routes-U.S. is amended to delete:

Natchez, Miss., VOR; Monroe, La., VOR; 3,000. via R-29 HEZ/R-180 MLU.

Carp INT, Alaska; Halibut INT, Alaska, via Control 1310; \*3,000. \*2,000-MOCA. VHF/ UHF Communications available 10,000 ft. and above; HF only below 10,000 ft.

Gar INT, Alaska (Control 1,400); Anchorage Oceanic Control, East Boundary; \*3,000. \*2,000-MOCA.

Woody Island, Alaska, LF/RBN; Marble INT, Alaska (via Control 1217), 4,000.

Naknek River, Alaska, LF/RBN; Herring INT, Alaska (via Control 1401); 3,000.

Naknek River, Alaska, LF/RBN; Gar INT, Alaska (via Control 1,400); 2,000.

Porpoise INT, Alaska; Shrimp INT, Alaska, via Control 1,310; \*3,000. \*2,000-MOCA. VHF/UHF Communications available 10,000 ft. and above; HF only below 10,000

Shrimp INT, Alaska; Carp INT, Alaska, Control 1,310; \*3,000. \*2,000-MOCA. VHF/ UHF Communications available 10,000 ft. and above; HF only below 10,000 ft.

Section 95.1001 Direct Routes-U.S. is amended by adding:

Carts INT, Alaska, Fried INT, Alaska, via Control 1.310; \*3,000. \*2000-MOCA; VHF/ Alaska, via Control 1,310; \*3,000. VHF/ UHF Communications available 10,000 ft. and above; HF only below 10,000 ft.

Garrs INT, Alaska, via control 1,400; Anchorage Oceanic Control, East Boundary; \*3,000. \*2,000—MOCA.

Woody Island, Alaska, LF/RBN; Marlo INT, Alaska, via Control 1,217; 4,000.

Naknek River, Alaska, LF/RBN; Herry INT, Alaska, via Control 1,401; 3,000.

Naknek River, Alaska, LF/RBN; Garrs INT, Alaska, via Control 1,400; 2,000. Snout INT, Alaska; Shrim INT, Alaska, via Control 1,310; \*3,000. \*2,000—MOCA; VHF/ UHF Communications available 10,000 ft. and above; HF only below 10,000 ft.

Shrim INT, Alaska; Carts INT, Alaska, via Control 1,310; 3,000. \*2,000—MOCA; VHF/ UHF Communications available 10,000 ft. and above; HF only below 10,000 ft.

Portland, Fla., NDB; King INT, Bh.; \*4,000. \*1,600-MOCA.

Portland, Fla., NDB; Dickens INT, Bh.; \*4,000. \*1,600—MOCA.

Eleuthera, Bh., NDB; Marsh Harbour, Bh., NDB; \*2,000. \*1,300—MOCA.

Marsh Harbour, Bh., NDB; Abaca INT, Bh.; \*2,000. \*1,300—MOCA.

Nassau, Bh., NDB; Greyson INT, Bh.; \*2,000. \*1,400—MOCA.

Section 95.5000 High altitude RNAV routes.

From/to; total distance; changeover point distance from geographic location; track angle; MEA; and MAA

J883R is amended to read in part: Blake, N.Y., W/P, Kingston, N.Y., W/P; 227.6; 113.8; Blake; 114/294 to COP, 120/300 to Kingston; 18,000; 45,000.

Section 95.6004 VOR Federal Airway 4 is amended by adding:

From; to; MEA Denver, Colo., VOR, via north alter.; Rodic INT, Colo., via north alter.; 7,800.

Rodic INT, Colo., via north alter.; Thurman, Colo., VOR, via north alter.; 7,000.

Section 95.6006 VOR Federal Airway 6 is amended to read in part:

Lucin, Utah, VOR; Ogden, Utah, VOR; 9,000. \*Ogden, Utah, VOR; Pineview INT, Utah, eastbound, 12,000; westbound, 7,000. \*10,-700-MCA Ogden VOR, eastbound.

Pineview INT, Utah; Fort Bridger, Wyo., VOR; 12,000.

Section 95.6012 VOR Federal Airway 12 is amended to read in part:

Briscoe INT, Tex., via south alter.; Gage, Okla., VOR, via south alter.; \*4,800. \*4,500-MOCA.

Section 95.6018 VOR Federal Airway 18 is amended to read in part:

Shreveport, La., VOR; Monroe, La., VOR; 2,000.

reveport, La., VOR, via south alter.; \*Weston INT, La., via south alter.; 2,000. Shreveport, \*3.000-MRA

Weston INT, La., via south alter.; Monroe, La., VOR, via south alter.; 2,000.

Shreveport, La., VOR, via north alter.; \*Cotton INT, La., via north alter.; \*\*2,000. \*3,000—MRA. \*\*1,600—MOCA.

Cotton INT, La., via north alter.; Homer INT. La., via north alter.; \*2,000. \*1,600—MOCA. Homer INT, La., via north alter.; Monroe, La., VOR, via north alter.; 2,000.

Monroe, La., VOR; \*Rayville INT, La.; 2,000. \*3.000-MRA

Rayville INT, La.; \*Signal INT, Miss.; 2,000. \*3.800-MRA

Monroe, La., VOR, via south alter.; \*Alto INT. La., via south alter.; 2,000. \*3,000-MRA. Alto INT, La., via south alter.; \*Bolton INT, Miss., via south alter.; \*\*2,300. \*3,400-MRA. \*\*1,800-MOCA.

Bolton INT, Miss., via south alter.; Jackson, Miss., VOR, via south alter .: \*2,000. \*1,700-

Monroe, La., VOR, via north alter.; \*Phoenix Miss., via north alter.; \*\*2,300. \*2,800-MRA. \*\*1,900-MOCA.

Section 95.6023 VOR Federal Airway 23 is amended to read in part:

Fort Jones, Calif., VOR, via east alter.; Klamath Junction INT, Oreg., via east alter.; \*10,000. \*9,500-MOCA.

Klamath Junction INT, Oreg., via east alter.; \*Medford, Oreg., VOR, via east alter, northwest-bound, 8,000, southeast-bound, 10,000. \*8,000-MCA Medford VOR, southeast-bound.

Fort Jones, Calif., VOR, via west alter.;
 \*Hamburg INT, Calif., via west alter.;
 \*\*10,000. \*12,000—MRA. \*\*9,100—MOCA. Course excursions may be experienced between 9NM and 19NM northwest of Fort Jones VOR on V-23 and V-23W below 15,000 MSL

Hamburg INT, Calif., via west alter.; \*Applegate INT, Oreg., via west alter.; \*\*10,000.
\*10,000—MRA. \*\*9,100—MOCA.

Section 95.6069 VOR Federal Airway 69 is amended to read in part:

Shreveport, La., VOR; \*Cotton INT, \*\*2,000. \*3,000—MRA. \*\*1,600—MOCA. La.:

Section 95.6071 VOR Federal Airway 71 is amended by adding:

Natchez, La., VOR, via west alter.; Monroe, La., VOR, via west alter.; \*6,000. \*2,000— MOCA.

Section 95.6071 VOR Federal Airway 71 is amended to read in part:

Natchez, Miss., VOR; \*Baskin INT, La.: 2,000. \*4,000-MRA.

Baskin INT, La.; Monroe, La., VOR; 2,000.

Natchez, Miss., VOR, via east alter.; \*Alto INT, La., via east alter.; \*\*3,000. \*3,000— MRA. \*\*1,600-MOCA.

Alto INT, La., via east alter.; Monroe, La., VOR, via east alter.; 2,000. Monroe, La., VOR; El Dorado, Ark., VOR;

Section 95.6094 VOR Federal Airway 94 is amended by adding:

Monroe, La., VOR; \*Galion INT, La.; 2,000. \*3,000-MRA.

Galion INT, La.; Greenville, Miss., VOR; 2,000. Monroe, La., VOR, via west alter; Greenville, Miss., VOR, via west alter.; 2,000.

Greenville, Miss., VOR; Lambert INT, Miss.; \*2,500. \*1,600-MOCA.

Lambert INT, Miss.; Savage INT, Miss.; \*2,000. \*1,700—MOCA.

Savage INT, Miss.; Memphis, Tenn., VOR; \*1,900. \*1,600-MOCA.

Section 95.6094 VOR Federal Airway 94 is amended to read in part:

Jamestown INT, La.; \*Weston INT, La.; 2,000. \*3,000-MRA.

Weston INT, La.; Monroe, La., VOR; 2,000.

Section 95.6175 VOR Federal Airway 175 is amended by adding:

Redwood Falls, Minn., VOR; Alexandria, Minn., VOR; 3,500.

Section 95.6260 VOR Federal Airway 260 is amended to read in part:

Rushmere INT, Va.; Norfolk, Va., VOR; 1,500.

Section 95.6270 VOR Federal Airway 270 is amended to read in part:

Turnwood INT, N.Y.; \*Athens INT, N.Y.; \*6,000. \*4,000—MCA Athens INT, westbound. \*\*5,200-MOCA.

Section 95.6436 VOR Federal Airway 436 is amended by adding:

Chandalar Lake, Alaska, LF/RBN; Arctic DME Fix, Alaska; \*\*10,000. \*7,000—MCA Arctic INT, southbound. \*\*9,900—MOCA.

Arctic DME Fix, Alaska; Pipet DME Fix, Alaska; \*6,000. \*4,500—MOCA.

Pipet DME Fix, Alaska; Bixer DME Fix, Alaska; \*5,000. \*3,700-MOCA.

Bixer DME Fix, Alaska; Arcon DME Fix, Alaska; 3,000.

Arcon DME Fix, Alaska; Deadhorse, Alaska, VOR/DME; \*2,000. \*1,200-MOCA.

Section 95.6436 VOR Federal Airway 436 is amended to read in part:

Augustine DME Fix, Alaska; Clams INT, Alaska; \*7,000. \*2,000-MOCA.

Claims INT, Alaska; Kenai, Alaska, VOR;

Section 95.6438 VOR Federal Airway 438 is amended by adding:

Fort Yukon, Alaska, VOR; Riggs DME Fix, Alaska; \*#10,000. \*9,500—MOCA. #MEA is established with a gap in navigation signal coverage.

Riggs DME Fix, Alaska; Oilee DME Fix, Alaska; \*8,000. \*7,500—MOCA.

\*Oilee DME Fix, Alaska; Wiman DME Fix, Alaska; \*\*5,000. \*6,500—MCA Oilee DME Fix, southbound. \*\*4,400-MOCA.

Wiman DME Fix, Alaska; Uvall DME Fix, Alaska; \*4,000. \*3,200-MOCA.

Uvall DME Fix, Alaska; Deadhorse, Alaska, VOR/DME; \*2,000. \*1,400-MOCA.

Section 95.6456 VOR Federal Airway 456 is amended to read in part:

\*Copper INT, Alaska; Tuxs INT, Alaska; \*\*13,000. \*12,000—MCA Copper INT, northeast-bound. \*\*12,000-MOCA.

\*Tuxs INT, Alaska; Kenai, Alaska, VOR; 5,000. \*12,000-MCA Tuxs INT, southwestbound.

Section 95.6481 VOR Federal Airway 481 is amended by adding:

Johnstone Point, Alaska, VOR, via east alter.; Tosin DME Fix, Alaska, via east alter.; \*10,000. \*9,300—MOCA.

Tosin DME Fix, Alaska, via east alter.; Rivva DME Fix, Alaska, via east alter.; 6,000.
Rivva DME Fix, Alaska, via east alter.; Gulkana, Alaska, VOR, via east alter.; 5,000.

Big Delta, Alaska, VOR; Fort Yukon, Alaska, VOR; #7,000. #MEA is established with a gap in navigation signal coverage.

Section 95.6504 VOR Federal Airway 504 is amended to read:

Nenana, Alaska, VOR; \*Kanuti DME Fix, Alaska; \*\*7,000. \*4,400—MCA Kanuti DME Fix, southeast-bound. \*\*6,400— MOCA.

Kanuti DME Fix, Alaska; Bettles, Alaska, LF/RBN; \*3,500. \*3,200—MOCA. Bettles, Alaska, LF/RBN; Derik DME Fix, Alaska; \*10,000. \*9,500—MOCA.

Derik DME Fix, Alaska; Muktu DME Fix, Alaska; \*7,000. \*3,700—MOCA.

Muktu DME Fix, Alaska; Shelo INT, Alaska; \*5,000. \*3,000-MOCA.

Shelo INT, Alaska; Deadhorse, Alaska, VOR/ DME; \*2,000. \*1,200-MOCA.

Section 95,6506 VOR Federal Airway 506 is amended to delete:

Marble INT, Alaska; Kodiak, Alaska, VOR; 4,000.

Section 95.6506 VOR Federal Airway 506 is amended by adding:

Marlo INT, Alaska; Kodiak, Alaska, VOR; 4.000.

Section 95.6506 VOR Federal Airway 506 is amended to read in part:

Kodiak, Alaska, VOR; Baily DME Fix, Alaska; \*5,000. \*4,900—MOCA.

Baily DME Fix, Alaska; Brooks DME Fix, Alaska; \*#10,000. \*9,700-MOCA. #MEA is established with a gap in navigation signal coverage.

King Salmon, Alaska, VOR; Kokwok INT, Alaska, westbound, 8,000; eastbound, 2.000.

Section 95.6515 VOR Federal Airway 515 is added to read:

Gulkana, Alaska, VOR; Meier DME Fix, Alaska; 5,000. Meier DME Fix, Alaska; Big Delta, Alaska, VOR; 12,000.

Section 95.7055 Jet Route No. 55 is amended to read in part:

From; to; MEA; and MAA

Int. 065 M rad Gordonsville VORTAC and 031 M rad Flat Rock VORTAC; Int. 065 M rad Gordonsville VORTAC and 262 M rad Sea Isle VORTAC; 18,000; 45,000.

Int. 065 M rad Gordonsville VORTAC and 262 M rad Sea Isle VORTAC; Sea Isle, N.J., VORTAC; 18,000; 45,000.

Section 95.7056 Jet Route No. 56 is amended by adding:

Mina, Nev., VORTAC; Salt Lake City, Utah, °#33,000; 45,000. °14,000— VORTAC; MOCA. #MEA is established with a gap in navigational signal coverage.

Section 95.7080 Jet Route No. 80 is amended to delete:

Bellaire, Ohio, VORTAC; Coyle, N.J., VOR TAC; 18,000; 45,000.

Coyle, N.J., VORTAC; Kennedy, N.Y., VOR TAC; 18,000; 45,000.

Section 95.7080 Jet Route No. 80 is amended by adding:

Bellaire, Ohio, VORTAC; Robbinsville, N.J., VORTAC: 18,000: 45,000.

Section 95.7115 Jet Route No. 115 is amended to delete:

Chandalar Lake, Alaska, LF/RBN; Put River, Alaska, LF/RBN; 18,000; 45,000.

Section 95.7115 Jet Route No. 115 is amended by adding:

Chandalar Lake, Alaska, LF/RBN; Dead-horse, Alaska, VOR/DME; 18,000; 45,000.

Section 95.7125 Jet Route No. 125 is amended to delete:

Nenana, Alaska, VORTAC; Chandalar Lake, Alaska, LF/RBN; 18,000; 45,000.

Section 95.7139 Jet Route No. 139 is amended to read:

Bettles, Alaska, VORTAC; Deadhorse, Alaska, VOR/DME; 18,000; 45,000.

Section 95.7155 Jet Route No. 155 is amended to read:

Chandalar, Alaska, LF/RBN; Nenana, Alaska, VORTAC; 18,000; 45,000.

Section 95.7167 Jet Route No. 167 is amended to read:

Johnstone Point, Alaska, VORTAC; Gulkana, Alaska, VORTAC; 18,000; 45,000.

Gulkana, Alaska, VORTAC; Big Delta, Alaska, VORTAC; 18,000; 45,000.

Big Delta, Alaska, VORTAC; Fort Yukon, Alaska, VORTAC; 18,000; 45,000.

Section 95.7507 Jet Route No. 507 is amended to read in part:

Oliktok, Alaska, LF/RBN; Deadhorse, Alaska, VOR/DME; 18,000; 45,000.
Deadhorse, Alaska, VOR/DME; Fort Yukon,
Alaska, VORTAC; 18,000; 45,000.

Alaska, VORTAC; 18,000; 45,000.

Fort Yukon, Alaska, VORTAC; Northway,
Alaska, VORTAC; 18,000; 45,000.

Northway, Alaska, VORTAC; Yakutat, Alaska,
VORTAC; #22,000; #45,000. #For that airspace over U.S. territory.

Section 95.7511 Jet Route No. 511 is amended to read in part:

Big Lake, Alaska, VORTAC; Gulkana, Alaska, VORTAC; 18,000; 45,000.

Gulkana, Alaska, VORTAC; Burwash, Y.T. Can., LFR; #18,000; #45,000. #For that airspace over U.S. territory.

2. By amending Subpart D as follows: Section 95.8003 VOR Federal airway changeover points.

From; to; changeover point and distance from

V-436 is amended by adding:

Chandalar Lake, Alaska, LF/RBN; Dead-horse, Alaska, VOR/DME; 99; Deadhorse.

V-504 is amended by adding:

Bettles, Alaska, LF/RBN; Deadhorse, Alaska, VOR/DME; 95; Deadhorse.

V-481 is amended by adding:

Gulkana, Alaska, VOR; Big Delta, Alaska, VOR; 63; Gulkana.

Big Delta, Alaska, VOR; Fort Yukon, Alaska. VOR: 69: Big Delta.

Section 95.8005 Jet routes changeover points.

J-115 is amended by adding:

Chandalar Lake, Alaska, LF/RBN; Dead-horse, Alaska, VOR/DME; 147; Deadhorse.

J-139 is amended by adding:

Bettles, Alaska, VORTAC; Deadhorse, Alaska, VOR/DME; 127; Deadhorse.

(Secs. 307 and 1110 of the Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510))

Issued in Washington, D.C. on November 25, 1974.

JAMES M. VINES, Chief. Aircraft Programs Division.

[FR Doc.74-28136 Filed 12-4-74;8:45 am]

#### CHAPTER II-CIVIL AERONAUTICS BOARD

SUBCHAPTER A-ECONOMIC REGULATIONS [Regulation ER-889, Amdt. 34]

288-EXEMPTION OF AIR CAR-PART RIERS FOR MILITARY TRANSPORTATION

## **Fuel Surcharge Rates**

Adopted by the Civil Aeronautics Board in Washington, D.C. November 29, 1974.

In accordance with established procedures and methodology, the Board having completed its review of commercial fuel prices for foreign and overseas MAC air transportation services as of November 1, 1974, is herein amending the surcharge provisions in Part 288 of its Economic Regulations (14 CFR Part 288) applicable to the rates established for those services.

We have compared fuel price information reported as of November 1, 1974 to the base period fuel costs for the year ended June 30, 1974. Based on the computations set out in Appendices A and B, we will amend the fuel surcharge rates effective November 1, 1974, as follows: the long-range Category B and Category A rate from 5.73 to 6.08 percent, the Pacific interisland short-range Category B rate from 1.58 to 1.79 percent, and the "all other" short-range Category B rates from 3.18 to 3.28 percent.

Under established procedures, the surcharge rates resulting from our monthly review of commercial fuel price changes are made effective as adjusted final rates, retroactive to the first day of the month under review, and also as temporary surcharge rates (subject to final adjustment) for the period beginning the first day of the following month. Accordingly,

<sup>&</sup>lt;sup>1</sup> ER-879, effective October 29, 1974.

Appendices A and B filed as part of the original.

within final and temporary rates effective and 1386) on less than thirty (30) days' notice.

In consideration of the foregoing, the Board hereby amends Part 288 of its Economic Regulations (14 CFR Part 288) as follows:

1. Amend § 288.7(a) (1) by amending the second proviso following the tables and paragraph (d) (2) by amending the proviso to read as follows:

§ 288.7 Reasonable level of compensa-

(a)

(1) \* \* \* ; And, provided further, That (i) effective November 1 through November 30, 1974, the total minimum compensation pursuant to the rates specified in subparagraph (1) of this paragraph for (a) services performed with regular jet, wide-bodied jet and DC-8F-61-63 aircraft, (b) Pacific interisland services performed with B-727 aircraft, and (c) all other services performed with B-727 aircraft shall be further increased by surcharges of 6.08 percent, 1.79 percent and 3.28 percent, respectively; and, (ii) on and after December 1, 1974, the total minimum compensation pursuant to the rates specified in subparagraph (1) of this paragraph for (a) services performed with regular jet, wide-bodied jet and DC-8F-61-63 aircraft, (b) Pacific interisland services performed with B-727 aircraft, and (c) all other services performed with B-727 aircraft shall be further increased by temporary surcharges of 6.08 percent, 1.79 percent and 3.28 percent, respectively, subject to amendment (upward or downward) upon final determination by the Board.

(d) For Category A transportation

(2) \* \* \*

10

Provided, however, That (1) effective November 1 through November 30, 1974, the total minimum compensation specified in subparagraphs (1) and (2) above shall be further increased by a surcharge of 6.08 percent; and (ii) on and after December 1, 1974, the total minimum compensation specified in subparagraphs (1) and (2) above shall be further increased by a temporary surcharge of 6.08 percent, subject to amendment (upward or downward) upon final determination by the Board.

Effective date. This order shall be effective November 1, 1974.

(Secs. 204, 403 and 416 of the Federal Aviation Act of 1958, as amended; 72 Stats. 743,

By the Civil Aeronautics Board.

EDWIN Z. HOLLAND, [SEAL] Secretary.

[FR Doc.74-28389 Filed 12-4-74;8:45 am]

Title 16—Commercial Practices CHAPTER I-FEDERAL TRADE COMMISSION

[Docket No. C-2546]

PART 13-PROHIBITED TRADE PRACTICES

Career Academy, Inc.

Subpart-Advertising falsely or misleadingly: § 13.15 Business status, advantages or connections; 13.15-225 Qualifica-Personnel or staff; 13.15-250 tions and abilities; 13.15-265 Service; § 13.50 Dealer or seller assistance; § 13.55 Demand, business or other op-§ 13.60 Earnings portunities; profits; § 13.143 Opportunities; § 13.-155 Prices; 13.155-5 Additional charges unmentioned: § 13.205 Scientific or other relevant facts; § 13.255 Services; § 13.240 Special or limited offer; § 13.-250 Success, use or standing. Subpart-Contracting for sale any evidence of indebtedness prior to specified time: § 13.527 Contracting for sale any evidence of indebtedness prior to specified time. Subpart-Furnishing means and instrumentalities of misrepresentation deception: § 13.1055 Furnishing means and instrumentalities of misrepresentation or deception. Subpart-Misrepresenting oneself and goods-Business status, advantages or connections: § 13.1395 Connections or arrangements with others; § 13.1520 Personnel or § 13.1535 Qualifications; § 13.staff: Reputation, success or standing; 1540 § 13.1553 Services. —Goods: § 13.1608 Dealer or seller assistance; § 13.1610 Demand for or business opportunities; § 13.1615 Earnings and profits; § 13.-1740 Scientific or other relevant jacts; § 13.1747 Special or limited offers; Success, use, or standing. \$ 13.1755 § 13.1778 Additional costs -Prices: unmentioned. Subpart-Neglecting, unfairly or deceptively, to make material disclosure: § 13.1892 Sales contract, § 13.1895 right-to-cancel provision; Scientific or other relevant facts. Subpart-Securing agents or representatives by misrepresentation: § 13.2120 Dealer or seller assistance; § 13.2125 Demand or business opportunities; § 13.2130 Earnings; § 13.2148 Scientific or other relevant facts.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Career Academy, Inc., Milwaukee, Wis., Docket C-2546, Sept. 13, 1974]

In the Matter of Career Academy, Inc. a corporation

Consent order requiring a Milwaukee, Wis., resident/correspondence school,

we find good cause exists to make the 758 and 771, as amended; 49 U.S.C. 1324, 1373 among other things to cease using deceptive means to sell its correspondenceresident instruction courses and to recruit franchised distributors; and to cease misrepresenting that the school's diplomas are equivalent to degrees from accredited colleges and that course credits are transferable. Further, respondent is required to give enrollees a three-day cooling-off period in which to cancel their contracts and receive full refunds of all monies paid and to set up a restitution procedure to be triggered by a successful civil penalty action in which the firm has been shown to have committed designated violations of the order.

The Decision and Order, including further order requiring report of compliance therewith is as follows:

It is ordered, That respondent Career Academy, Inc., a corporation, its successors and assigns, and respondent's officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, solicitation, offering for sale, sale or distribution of courses of training or instruction, or of franchises or distributorships for the sale of courses of training or instruction, or of any other product or service, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, orally, visually, in writing or in any other manner, directly or indirectly, unless respondent maintains records showing the factual, documented, verifiable basis for such claims. as required by Paragraph 4 of this Order, that purchasers of franchise or distributorships, or others engaged in the sale or distribution of any product or service:

(a) Will receive advice or assistance for maintaining or operating any business.

(b) Will be furnished leads as to prospective or qualified purchasers of said courses or products.

(c) Can earn a substantial income, or a specified or approximate amount of income, from the operation of any business, or that any such business will or can be operated at a profit; or making any statement or representation as to past, present or prospective income, earnings or profits.

2. Representing, orally, visually, in writing or in any other manner, directly or indirectly, unless respondent maintains records showing the factual, documented, verifiable basis for such claims, as required by Paragraph 4 of this Order, that prospective enrollees in or purchasers of any course of training or instruction:

(a) Will be required to qualify under highly selective or other procedures, or that enrollment is limited.

<sup>&</sup>lt;sup>2</sup> The surcharge provisions for services performed with B-727 aircraft will be applied to all other common-rated aircraft types.

<sup>1</sup> Copies of the complaint, exhibits, decision and order, filed with the original document.

(b) Will have instructors available for consultation, or individualized instruction, or to observe their performance in

training or tests.

(c) Will be provided the necessary instruction or experience to qualify for a particular position or positions in the given field for which the student enrolled.

(d) Will be furnished suitable housing, or leads to suitable employment during

resident training.

(e) Will secure employment in the fields for which they train, or at a higher salary than they would earn without such training or instruction, or that they will receive assistance in securing such employment.

(f) Will not have to bear any expense or cost charged by respondent other than those set out on an enrollment contract

or otherwise stated.

(g) Must enroll at the time of the sales representative's call, or that they will have no other opportunity to enroll.

- 3. Representing, orally, visually, in writing or in any other manner, directly or indirectly, unless respondent maintains records showing the factual, documented, verifiable basis for such claims, as required by Paragraph 4 of this Order, that:
- (a) There is an urgent need or demand, or a need or demand of any size, proportion or magnitude, for trained people in any field for which training or instruction is being offered or sold, or otherwise representing that opportunities for employment, or opportunities of any size, figure or number, are available to any person completing any such course.
- (b) Enrollees in or graduates of any school or of any course of training or instruction have been placed in, or have secured any position in the field for which they were trained, or that any person may secure employment or receive assistance in any position or field. Provided further, however, That no repre-sentation shall be made as to placement efficacy unless, in immediate conjunction therewith and in a clear and conspicuous manner, there is disclosed the current and active placement data for such school, location or facility percentage rate at such school location or facility for the advertised course of instruction or training, computed in the manner set forth in Paragraph 6(b) (1) of this Order.
- (c) Any amount of salary or other remuneration will or may be earned by any person completing any course of training or instruction.
- 4. Making, or furnishing the means and instrumentalities through or by means of which any person or firm may make any statement or representation prohibited by paragraphs (1) through (3) inclusive of this Order; Unless, respondent has a reasonable basis for each such statement or representation and maintains and upon reasonable notice, provides access to the Commission or its representatives for purposes of inspection or copying, for a period of three

years, full, complete and accurate records which will disclose:

(a) The time, frequency and duration of use or publication, and the content of each such statement or representation, and details as to the media or other means utilized in its dissemination or publication; and

(b) A factual, documented and verifiable basis for substantiation of each such statement or representation. Provided further, That with respect to any statement or representation as to:

- (1) Past, present or prospective earnings, profits, or salaries, such substantiation includes a statistically valid survey or other appropriate substantiating material which establishes the reasonable basis for each such statement or representation.
- (2) Efficacy of placement or employment, such substantiation includes a list of firms or employers which are currently hiring graduates of such courses in substantial numbers and in the positions for which such graduates have been trained, and the salary range of such graduates, determined in the manner set forth in Paragraph 6(b) of this order.
- 5. Representing, orally, visually, in writing, or in any other manner, directly or indirectly, that any diploma, certificate, or any other document or record issued or furnished upon completion of or in connection with any course of training or instruction, is or may be considered as the equivalent of a degree from any accredited college or university; that academic credits can be earned in connection with such courses, or that they can be transferred to, or will be recognized by any such accredited college or university.

6. Failing to deliver to each person who shall contract for the purchase of any course of training or instruction, at the time such person so contracts, a notice, in a form approved by the Commission, which shall disclose the following information and none other:

(a) The title "Important Information" printed in bold face type across the top of the form.

- (b) A paragraph reciting the following affirmative disclosures which shall be based upon information compiled not more than one year prior to the delivery of such notice:
- (1) The placement data for graduates determined in the following manner: Respondent shall, following the graduation of each student graduating during each six month period, commencing with the six month period ending on the last day of the month in which this Order is finally accepted by the Commission, undertake to determine the following information with respect to each such graduate: (a) his employment status: (b) the name of his employer and position, if any; and (c) his salary. The disclosure shall indicate the total number of graduates of the course; the number of those who have indicated to Respondent a desire for employment; the number of those desiring employment known

by Respondent to be employed; the number of those desiring employment known to be unemployed; and the number of those desiring employment whose employment status is not known.

Separate placement data shall be calculated for each course of instruction offered in each school location or facility during such six month period.

(2) a list of types of employers as indicated in responses to questionnaires sent pursuant to Subparagraph (1) above or otherwise within the actual knowledge of respondent which have hired the graduates referred to in Subparagraph (1) above in the positions for which such graduates were trained, and the percentage of employed graduates working for each type of employer.

(3) The salary range of the graduates referred to in Subparagraph (1) above. The "salary range" shall be the highest and lowest salary for full time employment indicated in responses to questionnaires sent pursuant to Subparagraph (1) above or otherwise within the actual knowledge of respondent with respect to

such graduates.

Provided however, That this Subparagraph (b) shall be inapplicable until the first day of the seventh month following the month in which this order is finally accepted by the Commisson.

(c) An explanation of the cancellation procedure provided in this order, namely, that any contract or other agreement may be cancelled for any reason within three business days after receipt by the customer, of this notice or any other cancellation procedure provided by applicable state or local law more favorable to the customer.

(d) A detachable form or a form separate from the notice, which the person may use as a notice of cancellation, which indicates the proper address for accomplishing any such cancellation; or such other separate form as may be applicable under state or local law.

Provided, however, That subparagraph (b) above shall be inapplicable for the first two years following respondent's sale or distribution of any course of training or instruction, or until two years following its operation of any school or facility in any city or county where it did not previously operate a school, and, in lieu of subpararaph (b), the following statement shall be made:

All representations of potential employment or salaries are merely estimates. This course has not been sold (or this school has not been in operation) long enough to indicate what, if any, actual employment or salary may result upon graduation from this course (or school).

7. Contracting for any sale of any course of training or instruction in the form of a sales contract or other agreement which shall become binding prior to the end of the third business day after the date of receipt by the customer of the form of notice provided for in Paragraph 6 of this Order. Upon cancellation of any said sales contract or other agreement within the period provided for

herein, the respondent is obligated to refund, promptly to any person exercising the cancellation right, all monies paid or remitted up until the notice of cancellation, and to cancel and return to the obligor any note, or other instrument of indebtedness in connection with the contract.

II

It is further ordered, That:

Respondent herein deliver in person
or by certified mail, a copy of this Decision and Order to each of its present and
future franchisees, licensees, employees,
salesmen, agents, independent contractors or to any other person who promotes,
offers for sale, sells or distributes any
course of instruction or training or any
other product or service included in this
Order;

2. Respondent herein provides each person so described in paragraph (1) above with a form returnable to the respondent clearly stating his intention to be bound by and to conform his business practices to the requirements of this Order; retains said statement during the period said person is so engaged; and makes said statement available to the Commission's staff for inspection and copying upon request;

3. Respondent herein informs each person so described in paragraph (1) above that the respondent will not use or engage or will terminate the use or engagement of any such party, unless such party agrees to and does file notice with the respondent that he will be bound by the provisions contained in this

Order:

4. If such party as described in paragraph (1) above will not agree to so file the notice set forth in paragraph (2) above with the respondent and be bound by the provisions of the Order, the respondent shall not use or engage or continue the use or engagement of, such party to promote, offer for sale, sell or distribute any course of instruction or training or any other product or service included in this Order;

5. Respondent herein informs the persons described in paragraph (1) above that the respondent is obligated by this Order to discontinue dealing with or to terminate the use or engagement of persons who continue on their own the deceptive acts or practices prohibited by

this Order;

6. Respondent herein institutes a program of continuing surveillance adequate to reveal whether the business practices of each said person described in paragraph (1) above conform to the requirements of this Order;

7. Respondent herein discontinues dealing with or terminates the use or engagement of any person described in paragraph (1) above, as revealed by the aforesaid program of surveillance, who continues on his own any act or practice

prohibited by this Order.

It is further ordered, That in the event the Federal Trade Commission shall successfully maintain a civil penalty action against respondent for violation of Sections 3(a), 3(b), 6(b) (1), or 6(b) (2),

of this Order, respondent shall provide restitution to its students in the following manner:

Respondent shall notify in writing, at their last known address, within thirty days after the date of the Order of the U.S. District Court awarding the Commission civil penalties, all students who enrolled in any of respondent's courses during the six (6) year period preceding the date of the U.S. District Court's Order, or such later period of time during which respondent has been shown to have violated sections 3(a) or 3(b) of this Order, or failed to make the affirmative disclosures required by paragraphs 6(b)(1), or 6(b)(2), of their right to present claims for restitution according to the following terms and conditions:

Students shall be informed that in order to be entitled to restitution and a cancellation of future monetary obligations to respondent, they must submit to respondent and the Federal Trade Commission an affidavit containing details of the following affirmations:

(a) That a misrepresentation was made to the student by respondent or any of its agents or representatives concerning the availability of jobs after completion of the course of instruction they took or placement assistance to be given in obtaining employment after completion of the course, and that the student relied on such misrepresentation or misrepresentations in enrolling in one of respondent's courses; or that respondent or any of its agents falled to disclose placement data or a list of types of employers to the student, as required by Paragraphs 6(b) (1) and 6(b) (2) of this Order

(b) That the student satisfactorlly completed the course of instruction in

which he or she enrolled.

(c) That in the case of a student who relied on the misrepresentation regarding the availability of jobs, or that in the case of a student who was not provided with the affirmative disclosures required by Paragraphs 6(b) (1) or 6(b) (2), said student attempted to procure employment in the field for which he took training from respondent and was unsuccessful in obtaining employment within six months after completion of his course.

That in the case of a student who relied on a misrepresentation regarding the offer of placement assistance by respondent said student sought placement from respondent's placement department and did not receive placement assistance as represented by respondent and did not secure a job within six months after completing the course.

Respondent shall make restitution to any student submitting a sworn affidavit complying with the provisions of sections (a)—(e) of this Paragraph within sixty (60) days of receipt of said affidavit, unless respondent, within sixty (60) days of receipt of said affidavit:

(1) Obtains a sworn affidavit, from a person with first-hand knowledge or based upon documentary or other legally admissible evidence, which asserts facts controverting the material facts set forth in said student's affidavit, thereby placing in issue the student's right to restitution; and

(2) Informs the student: (a) that it denies the student's claim for restitution based upon such affidavit; (b) forwards a copy of such affidavit to the student; and (c) informs the student that he or she may, at his or her option, elect to have the matter referred to arbitration under the supervision of the American Arbitration Association pursuant to the rules set forth in Exhibit A attached hereto and forwards a copy of such rules to the student.

Respondent in all demands referred to arbitration shall carry the burden of proof to establish that the student seeking restitution is not entitled thereto.

It shall be a violation of this Order for Respondent to fall to provide timely restitution (1) to any student who submits to Respondent a sworn affidavit which complies with provisions (a) -(c) of this Paragraph, which claim Respondent does not deny pursuant to the procedures set forth in this Paragraph within sixty (60) days after receipt thereof; or (2) to any student whose claim for restitution has been referred to arbitration and has been upheld by the arbitrator.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each

of its operating divisions.

It is further ordered, That respondent notify the Commission at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That the respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have compiled with this order.

The Decision and Order was issued by the Commission, September 13, 1974.

> CHARLES A. TOBIN, Secretary.

[FR Doc.74-28398 Filed 12-4-74;8:45 am]

[Docket No. 8983-o]
PART 13—PROHIBITED TRADE
PRACTICES

Wilbanks Carpet Specialists, Inc., et al.

Subpart—Advertising falsely or misleadingly; § 13.10 Advertising falsely or misleadingly; § 13.15 Business status, advantages or connections; 13.15–30 Connections or arrangements with others; 13.15–190 Manufacturing nature; 13.15–195 Nature; § 13.20 Comparative data or merits; § 13.70 Fictitious or misleading quarantees; § 13.71 Financing; § 13.73 Formal regulatory and statutory requirements; 13.73-92 Truth in Lending Act; § 13.75 Free goods or services; § 13.155 Prices; 13.155-5 Additional charges unmentioned; 13.155-10 Bait; 13.155-15 Comparative; 13.155-40 Exaggerated as regular and customary; 13.155-70 Percentage savings; 13.155-95 Terms and conditions: 13.155-95(a) Truth in Lending Act; § 13.160 Promotional sales plans. Subpart-Contracting for sale any evidence of indebtedness prior to specified time: § 13.527 Contracting for sale any evidence of indebtedness prior to specified time. Subpart-Delaying or withholding corrections, adjustments or action owed: § 13.675 Delaying or withholding corrections, adjustments or action owed. Subpart-Disparaging products, merchandise, services, etc.: § 13.1042 Disparaging products, merchandise, services, etc. Subpart-Failing to maintain records: § 13.1051 Failing to maintain records; 13.1051-20 Adequate. Subpart-Misrepresenting oneself and goods-Business status, advantages or connections: § 13.1395 Connections and arrangements with others; § 13.1400 Dealer as manufacturer; § 13.1490 Nature. —Goods: § 13.1575 Comparative data or merits; § 13.1623 Formal regulatory and statutory requirements; 13.1623-95 Truth in Lending Act; § 13.1625 Free goods or services; § 13.1647 Guarantees. -Prices: § 13.1778 Additional costs unmentioned; § 13.1779 Bait; § 13.1785 Comparative; § 13.1805 Exaggerated as regular and customary; § 13.1823 Terms and conditions; 13.1823-20 Truth in Lending Act. - Promotional sales plans: § 13.1830 Promotional sales plans. Subpart-Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 Formal regulatory and statutory requirements; 13.1852-75 Truth in Lending § 13.1855 Identity; Act: \$ 13.1882 Prices; 13.1882-10 Additional prices unmentioned; § 13.1892 Sales contract. right-to-cancel provision; \$ 13.1905 Terms and conditions; 13.1905-50 Sales contract; 13.1905-60 Truth in Lending

(Sec. 6, 38 Stat. 721; 15 U.S.O. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 15 U.S.C. 45, 1601-1605) [Cease and desist order, Wilbanks Carpet Specialists, Inc., et al., Essex, Md., Docket 5933, Sept. 24, 1974]

In the Matter of Wilbanks Carpet Specialists, Inc., a corporation, trading as Mr. Carpet Centers and Design Carpets Consultants, and J. C. B. Distributors, Inc., a corporation, trading as Mr. Carpet Centers, and George Wilbanks, Lester L. Miller, tudividually and as officers of said corporations

Order requiring an Essex, Md., seller, distributor and installer of carpeting and floor coverings, among other things to cease misrepresenting itself as a manufacturer; using bait and switch tactics; disparaging merchandise; failing to maintain adequate records; misrepresenting offers as free when their cost is incorporated into the selling price; misrepresenting prices; and failing to inform

consumers, in connection with the extension of consumer credit, such information as required by Regulation Z of the Truth in Lending Act.

The final order is as follows:

Counsel supporting the complaint having filed an appeal from the initial decision of the Administrative Law Judge, and the matter having been heard upon complaint counsel's appeal brief and oral argument; and

The Commission having rendered its decision determining that the initial decision issued by the judge should be modified in accordance with the views expressed in the attached opinion, and, as so modified, adopted as the decision of the Commission:

It is ordered, That complaint counsel's appeal from the initial decision of the Administrative Law Judge be, and it hereby is, denied.

It is further ordered, That the initial decision issued by the Administrative Law Judge be modified by striking therefrom the following:

Those portions of the conclusions of law which concern "consumer warning" relief (at pp. 17-19 sub nom. "The Remedy") and the second "Further Ordered" paragraph of the order to cease and desist issued by the judge (at pp. 36-37).

As so modified, the initial decision is hereby adopted.1

The order to cease and desist contained in the initial decision modified as set forth above is as follows:

It is ordered, That respondents Wilbanks Carpet Specialists, Inc., a corporation, trading as Mr. Carpet Centers and Design Carpets Consultants, and J.C.B. Distributors, Inc., a corporation, trading as Mr. Carpet Centers or any other trade name or names, their successors and assigns and their officers, and George Wilbanks and Lester L. Miller, individually and as officers of said corporations, and respondents' agents, representatives, and employees, directly or through any corporation, subsidiary, division or other device, in connection with the advertising, offering for sale, sale, distribution or installation of carpeting and floor coverings, or any other article of merchandise, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

 Representing, orally or in writing, directly or by implication, that respondents are an integrated manufacturing and retailing business organization, or misrepresenting, in any manner, the nature, status, connections, or scope of respondents' business.

2. Using, in any manner, a sales plan, scheme, or device wherein false, misleading, or deceptive statements or representations are made in order to obtain leads or prospects for the sale of carpeting or other merchandise or services.

3. Making representations, orally or in writing, directly or by implication, purporting to offer merchandise for sale when the purpose of the representation is not to sell the offered merchandise but to obtain leads or prospects for the sale of other merchandise at higher prices.

4. Disparaging in any manner, or discouraging the purchase of any merchandise or services which are advertised or

offered for sale.

5. Representing, orally or in writing, directly or by implication, that any merchandise or services are offered for sale when such offer is not a bona fide offer to sell such merchandise or services.

6. Falling to maintain and produce for inspection and copying for a period of three years following the date of publication of any advertisement, adequate records to document for the entire period during which each advertisement was run and for a period of six weeks after the termination of its publication in press or broadcast media:

a. The cost of publishing each advertisement including the preparation and

dissemination thereof;

 b. The volume of sales made of the advertised product or service at the advertised price; and

c. A computation of the net profit from the sales of each advertised product or service at the advertised price.

7. Using the word "Sale", or any other word or words of similar import or meaning not set forth specifically herein unless the price of such merchandise being offered for sale constitutes a reduction, in an amount not so insignificant as to be meaningless, from the actual bona fide price at which such merchandise was sold or offered for sale to the public on a regular basis by respondents for a reasonably substantial period of time in the recent regular course of their business.

8. (a) Representing, orally or in writing, directly or by implication, that by purchasing any of said merchandise, customers are afforded savings amounting to the difference between respondents' stated price and respondents' former price unless such merchandise has been sold or offered for sale in good faith at the former price by respondents for a reasonably substantial period of time in the recent, regular course of their business.

(b) Representing, orally or in writing, directly or by implication, that by purchasing any of said merchandise, customers are afforded savings amounting to the difference between respondents' stated price and a compared price for said merchandise in respondents' trade area unless a substantial number of the principal retail outlets in the trade area regularly sell said merchandise at the compared price or some higher price.

(c) Representing, orally or in writing, directly or by implication, that by purchasing any of said merchandise, customers are afforded savings amounting to the difference between respondents' stated price and a compared value price for comparable merchandise, unless substantial sales of merchandise of like grade and quality are being made in the trade area at the compared price or a higher price and unless respondents have in good faith conducted a market survey

<sup>&</sup>lt;sup>1</sup>Copies of the complaint, initial decision, opinion of the Commission and final order filed with the original document.

or obtained a similar representative sample of prices in their trade area which establishes the validity of said compared price and it is clearly and conspicuously disclosed that the comparison is with merchandise of like grade and quality.

9. Failing to maintain and produce for inspection or copying for a period of three (3) years following the date on which any savings claims, sales claims, or other similar representations are made, adequate records (a) which disclose the facts upon which any savings claims, sale claims and other similar representations as set forth in Paragraphs Five, Eight and Nine of this order are based, and (b) from which the validity of any savings claims, sale claims and similar representations can be determined.

10. Representing, orally or in writing, directly or by implication, that a stated price for carpeting or floor coverings includes the cost of a separate padding and the installation of such padding and carpeting thereof, unless in every instance where it is so represented the stated price for floor covering does, in fact, include the cost of such separate padding and installation thereof; or misrepresenting in any manner, the prices, terms, or conditions under which respondents supply separate padding and provide installation in connection with the sale of floor covering products.

11. Representing, orally or in writing, directly or by implication, that any product or service is guaranteed unless the nature and extent of the guarantee, the identity of the guarantor, and the manner in which the guarantor will perform thereunder are clearly and conspicuously disclosed; and respondents deliver to each purchaser, prior to the signing of the sales contract, a written guarantee clearly setting forth all of the terms. conditions and limitations of the guarantee fully equal to the representations. orally or in writing, directly or by implication, made to each such purchaser. and unless respondents promptly and fully perform all of their obligations and requirements under the terms of each such guarantee.

12. Representing, directly or indirectly, orally or in writing, that any price amount is respondents' regular price for any article of merchandise or service unless said amount is the price at which such merchandise or service has been sold or offered for sale by respondents for a reasonably substantial period of time in the recent, regular course of their business and not for the purpose of establishing fictitious higher prices upon which a deceptive comparison or a "free" or similar offer might be based.

13. Representing, directly or indirectly, orally or in writing, that a purchaser of respondents' merchandise or services will receive a "free" vacuum cleaner or kitchen carpeting or any other "free" merchandise, service, prize or award unless all conditions, obligations, or other prerequisites to the receipt and retention of such merchandise, services, gifts,

prizes or awards are clearly and conspicuously disclosed at the outset in close conjunction with the word "free" whereever it first appears in each advertisement or offer.

14. Representing, directly or indirectly, orally or in writing, that any merchandise or service is furnished "free" or at no cost to the purchaser of advertised merchandise or services, when, in fact, the cost of such merchandise or service is regularly included in the selling price of the advertised merchandise or service.

15. Representing, directly or indirectly, orally or in writing, that a "free" offer is being made in connection with the introduction of new merchandise or services offered for sale at a specified price unless the respondents expect, in good faith, to discontinue the offer after a limited time and commence selling such merchandise or service, separately, at the same price at which it was sold with a "free" offer.

16. Representing, directly or indirectly, orally or in writing, that merchandise or service is being offered "free" with the sale of merchandise or service which is usually sold at a price arrived at through bargaining, rather than at a regular price, or where there may be a regular price, but where other material factors such as quantity, quality, or size are arrived at through bargaining.

17. Representing, directly or indirectly, orally or in writing, that a "free" offer is available in a trade area for more than six (6) months in any twelve (12) month period. At least thirty (30) days shall elapse before another such "free" offer is made in the same trade area. No more than three such "free" offers shall be made in the same area in any twelve (12) month period. In such period, respondents' sale in that area of the product or service in the amount, size or quality promoted with the "free" offer shall not exceed 50 percent of the total volume of its sales of the product or service, in the same amount, size or quality, in the area.

18. Representing, directly or indirectly, orally or in writing, that a product or service is being offered as a "gift", "without charge", "bonus", or by other words or terms which tend to convey the impression to the consuming public that the article of merchandise or service is free, when the use of the term "free" in relation thereto is prohibited by the provisions of this order.

19. Contracting for any sale whether in the form of trade acceptance, conditional sales contract, promissory note, or otherwise which shall become binding on the buyer prior to midnight of the third day, excluding Sundays and legal holidays, after the date of execution.

20. Failing to furnish the buyer with a fully completed receipt or copy of any contract pertaining to such sale at the time of its execution, which is in the same language, e.g., Spanish, as that principally used in the oral sales presentation and which shows the date of the transaction and contains the name and address of the seller, and in immediate proximity to the space reserved

in the contract for the signature of the buyer or on the front page of the receipt if a contract is not used and in bold face type of a minimum size of 10 points, a statement in substantially the following form:

"You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right."

21. Falling to furnish each buyer, at the time he signs the sales contract or otherwise agrees to buy consumer goods or services from the seller, a completed form in duplicate, captioned "Notice of cancellation", which shall be attached to the contract or receipt and easily detachable, and which shall contain in ten point bold face type the following information and statements in the same language, e.g., Spanish, as that used in the contract:

#### NOTICE OF CANCELLATION

## [enter date of transaction] (Date)

(Date)
You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fall to make the goods available to the seller, or if you agree to return the goods to the seller and fall to do so, then you remain liable for the performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to \_\_\_\_\_\_\_\_\_at

(Name of seller)

(address of seller's place of businesss)
not later than midnight of

Fhereby cancel this transaction.

(Date)

(Buyer's signature)

22. Failing, before furnishing copies of the "Notice of Cancellation" to the buyer, to complete both copies by entering the name of the seller, the address of the seller's place of business, the date of the transaction, and the date, not earlier than the third business day following the date of the transaction, by which the buyer may give notice of cancellation.

23. Including in any sales contract or receipt any confession of judgment or any waiver of any of the rights to which

the buyer is entitled under this order including specifically his right to cancel the sale in accordance with the provisions of this order.

24. Failing to inform each buyer orally, at the time he signs the contract or purchases the goods or services, of his right

25. Misrepresenting, directly or indirectly, orally or in writing, the buyer's

right to cancel.

26. Failing or refusing to honor any valid notice of cancellation by a buyer and within 10 business days after the receipt of such notice, to (i) refund all payments made under the contract or sale; (ii) return any goods or property traded in, in substantially as good condition as when received by the seller; (iii) cancel and return any negotiable instrument executed by the buyer in connection with the contract or sale and take any action necessary or appropriate to terminate promptly any security interest created in the transaction.

27. Negotiating, transferring, selling, or assigning any note or other evidence of indebtedness to a finance company or other third party prior to midnight of the fifth business day following the day the contract was signed or the goods or serv-

ices were purchased.

28. Failing, within 10 business days of receipt of the buyer's notice of cancellation, to notify him whether the seller intends to repossess or to abandon any

shipped or delivered goods.

29. Advertising the price of carpet, either separately or with padding and installation included, for specified areas of coverage without disclosing in immediate conjunction and with equal prominence the square yard price for additional quantities of such carpet with padding and installation needed.

30. Advertising any carpeting or floor covering using a unit of measurement not usually and customarily employed in the retail advertising of carpet or which tends to exaggerate the size or quantity of carpeting or floor covering being of-

fered at the advertised price.

Provided, however, That nothing contained in this order shall relieve respondents of any additional obligations respecting contracts required by federal law or the law of the state in which the contract is made. When such obligations are inconsistent, respondents can apply to the Commission for relief from this provision with respect to contracts executed in the state in which such different obligations are required. The Commission, upon showing, shall make such modifications as may be warranted in the premises.

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It is further ordered, That respondents Wilbanks Carpet Specialists, Inc., a corporation, trading as Mr. Carpet Centers and Design Carpets Consultants, and J.C.B. Distributors, Inc., a corporation, trading as Mr. Carpet Centers or under any other trade name or names, their successors and assigns, and their officers, and George Wilbanks and Lester L. Mil-

ler, individually and as officers of said corporations, and respondents' agents, representatives, and employees, directly or through any corporate, subsidiary, division or other device, in connection with any extension of consumer credit or advertisement to aid, promote, or assist directly or indirectly any extension of consumer credit, as "consumer credit" and "advertisement" are defined in Regulation Z (12 CFR 226) of the Truth in Lending Act (Pub. L. 90-321, 15 U.S.C. 1601 et seq.), do forthwith cease and de-

1. Failing to disclose the due dates or periods of payments scheduled to repay the indebtedness, as required by § 226.8

(b) (3) of Regulation Z.

2. Failing to disclose the "annual percentage rate" accurately to the nearest quarter of one percent, computed in accordance with the provisions of § 226.5 of Regulation Z, as required by § 226.8(b) (2) of Regulation Z.

3. Failing in any consumer credit transaction or advertisement, to make all disclosures, determined in accordance with §§ 226.4 and 226.5 of Regulation Z, in the manner, form and amount required by §§ 226.6, 226.7, 226.8, 226.9

and 226.10 of Regulation Z.

It is further ordered, That respondents shall maintain for at least a one (1) year period, following the effective date of this order, copies of all advertisements, including newspaper, radio and television advertisement, direct mail and in-store solicitation literature, and any other such promotional material utilized for the purpose of obtaining leads for the sale of carpeting or floor coverings, or utilized in the advertising, promotion or sale of carpeting or floor coverings and other merchandise.

It is further ordered, That respondents, for a period of one (1) year from the effective date of this order, shall provide each advertising agency utilized by respondents and each newspaper publishing company, television or radio station or other advertising media which is utilized by the respondents to obtain leads for the sale of carpeting of floor coverings and other merchandise, with a copy of the Commission's News Release setting forth the terms of this Order.

It is jurther ordered, That respondents notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may effect compliance obligations arising out of the order.

It is further ordered, That respondents shall forthwith distribute a copy of this order to each of their operating divisions.

It is further ordered, That respondents deliver a copy of this order to cease and desist to all present and future personnel of respondents engaged in the offering for sale, sale of any product, consummation of any extension of consumer credit or in any aspect of preparation, creation,

or placing of advertising, and that respondents secure a signed statement acknowledging receipt of said order from each such person.

It is further ordered, That the individual respondents named herein promptly notify the Commission of the discontinuance of their present business or employment and of their affiliations with a new business or employment. Such notice shall include respondents' current business addresses and a statement as to the nature of the business or employment in which they are engaged as well as a description of their duties and responsibil-

It is further ordered. That the respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

Final order issued by the Commission Sept. 24, 1974.

CHARLES A. TOBIN. Secretary.

[FR Doc.74-28399 Filed 12-4-74;:45 am]

Title 21-Food and Drugs

CHAPTER I-FOOD AND DRUG ADMINIS-TRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SUBCHAPTER A-GENERAL

PART 2-ADMINISTRATIVE FUNCTIONS, PRACTICES, AND PROCEDURES

Subpart M-Organization

HEADQUARTERS REORGANIZATION

The Commissioner of Food and Drugs is amending "Part 2-Administrative Functions, Practices, and Procedures" (21 CFR Part 2) to update the organization listing for headquarters and to list the location of the Food and Drug Administration Public Records and Documents Center (formerly the FDA Information Center).

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 701(a), 52 Stat. 1055; 21 U.S.C. 371(a)) and under authority delegated to the Commissioner (21 CFR 2.120), Part 2 is amended by revising § 2.171 and adding a new § 2.173 to read as follows:

§ 2.171 Headquarters.

The central organization of the Food and Drug Administration consists of the following:

OFFICE OF THE COMMISSIONER 1

Commissioner of Food and Drugs. Deputy Commissioner.

Administrative Law Judge. Associate Commissioner for Compliance. Hearing Clerk.

Associate Commissioner for Medical Affairs. Associate Commissioner for Science. Associate Commissioner for Administration. Assistant Commissioner for Public Affairs. Assistant Commissioner for Planning and

Evaluation. Assistant Commissioner for Professional and Consumer Programs.

#### BUREAU OF BEOLOGICS &

Office of the Director,
Division of Compliance,
Division of Virology.
Division of Blood and Blood Products.
Division of Control Activities.
Division of Pathology.
Division of Bacterial Products.

BUREAU OF DRUGS 1

Office of the Director.
Office of Planning and Evaluation.
Associate Director for Drug Monographs.
Division of OTC Drug Evaluation.
Division of Biopharmaceutics.
Division of Generic Drug Monographs.
Associate Director for Biometrics and Epi-

demiology.

Division of Biometrics.

Division of Potson Control.

Division of Drug Experience.

Associate Director for Compliance.

Division of Methadone Monitoring.

Division of Drug Product Quality.

Division of Drug Labeling Compliance.

Division of Drug Manufacturing.

Associate Director for Pharmaceutical Research and Testing.

Division of Drug Biology.
Division of Drug Chemistry.
National Center for Antibiotics Analysis.
National Center for Drug Analysis.
Associate Director for New Drug Evaluation.
Division of Anti-Infective Drug Products.
Division of Cardio-Renal Drug Products.
Division of Surgical-Dental Drug Products.
Division of Surgical-Dental Drug Products.
Division of Metabolism and Endocrine Drug
Products.

Division of Neuropharmacological Drug Prod-

Division of Oncology and Radiopharmaceutical Drug Products.

Division of Drug Advertising.

Associate Director for Information Systems.

Division of Information Resources.

Division of Information Systems Design.

Medical Library.

BUREAU OF FOODS \$

Office of the Director. Associate Director for Compliance. Division of Regulatory Guidance. Division of Compliance Programs. Division of Industry Programs. Division of Food and Color Additives. Associate Director for Sciences. Division of Chemistry and Physics. Division of Toxicology. Division of Pathology. Division of Microbiology. Division of Mathematics. Associate Director for Technology. Division of Food Technology. Division of Chemical Technology. Division of Color Technology. Division of Cosmetics Technology.

Division of Consumer Studies. Division of Food Service. Division of Nutrition.

sumer Sciences.

DUREAU OF MEDICAL DEVICES AND DIAGNOSTIC PRODUCTS 1

Associate Director for Nutrition and Con-

Office of the Director. Division of Compliance. Division of Diagnostic Product Standards and

Research.
Division of Medical Device Standards and

Research.

Division of Classification and Scientific

Evaluation.

Mailing address; 5600 Fishers Lane, Rock-ville, MD 20862.

Mailing address: 8800 Rockville Pike, Bethesda, MD 20014.

\*Mailing address: 200 C St. SW., Washington, D.C. 20204.

BUREAU OF RADIOLOGICAL HEALTH !

Office of the Director.
Division of Compliance.
Division of Biological Effects.
Division of Electronic Products.
Division of Radioactive Materials and Nuclear Medicine.
Division of Training and Medical Applica-

BUREAU OF VETERINARY MEDICINES?

Office of the Director.
Division of Compliance.
Division of New Animal Drugs.
Division of Nutritional Sciences.
Division of Veterinary Medical Review.
Division of Veterinary Medical Review.

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EXECUTIVE DIRECTOR OF REGIONAL OPERATIONS 1

Office of the Executive Director. Division of Field Operations. Division of Planning and Analysia. Division of Federal-State Relations.

Office of the Director.

NATIONAL CENTER FOR TOKICOLOGICAL RESEARCH \*

Office of Plans, Programs, and Systems.

Associate Director for Operations.

Division of Animal Husbandry.
Division of Diagnostics.
Division of Diet Preparation.
Division of Facilities Engineering and Maintenance.
Division of Chemistry.
Associate Director for Pathology.
Division of Histopathology.
Division of Clinical Pathology.
Division of Pathology Research.
Associate Director for Toxicology.
Division of Acute/Subscute Studies.
Division of Chronic Studies.
Division of Chronic Studies.
Division of Mutagenic Research.
Division of Mutagenic Research.
Division of Comparative Pharmacology.

§ 2.173 FDA Public Records and Documents Center.

The FDA Public Records and Documents Center, HFC-18, is located in Rm. 4-62, Parklawn Bldg., 5600 Fishers Lane, Rockville, MD 20852. Telephone: 201-443-6310.

Effective date. This order shall be effective December 5, 1974.

(Sec. 701(a), 52 Stat. 1055; 21 U.S.C. 371(a))

Dated: November 27, 1974.

SAM D. FINE, Associate Commissioner for Compliance.

[FR Doc.74-28408 Filed 12-3-74;8:45 am]

SUBCHAPTER B-FOOD AND FOOD PRODUCTS
PART 18-MILK AND CREAM

Identity Standards for Milk and Cream; Order Staying Certain Provisions

The Commissioner of Food and Drugs issued an order, published in the Federal Register of October 10, 1973 (38 FR 27924), revising existing standards and establishing new standards of identity for milk and cream (21 CFR Part 18).

The order provided that any person who would be adversely affected could at any time on or before November 9, 1973, file written objections to the order and, if desired, request a hearing on the specific provisions objected to.

Fourteen timely (and three late) responses were filed objecting to or seeking clarification of specific provisions of the order and, in some cases, requesting a public hearing. Pursuant to section 701(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 371(e)), the Commissioner has carefully considered the objections, requests for hearing, and other responses. His conclusions follow:

I. Objections and requests for hearing. 1. The requirement that fluid milk products for consumer use be pasteurized. In the October 10, 1973 order, the Commissioner took the position that, although raw milk produced under carefully controlled conditions is relatively safe, pasteurization assures the destruction of pathogenic bacteria that may be present and it was therefore reasonable to require that all fluid milk products be pasteurized. Those objecting to this requirement contended that certified raw milk was a safe product and that section 401 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341) did not give the Commissioner authority to promulgate a standard of identity solely for health reasons.

The Commissioner has reconsidered his position and still concludes that there are serious safety problems associated with certified raw milk, that certified raw milk is not as safe as pasteurized milk, and that only pasteurized milk should be shipped for beverage use in interstate commerce. However, since the objections raise a substantial issue of fact and request a public hearing, the part of the provisions which require that certified raw milk be pasteurized is stayed pending a public hearing on this matter. The Commissioner rejects the contention that section 401 of the act does not permit provisions of a standard of identity to be promulgated for health reasons.

The Commissioner notes that pasteurization is appropriately required under section 361 of the Public Health Service Act (42 U.S.C. 264) as well as under the Federal Food, Drug, and Cosmetic Act, and accordingly a citation to this authority has been added. Any issues raised under section 361 of the Public Health Service Act will be considered at the public hearing on this matter, even though no public hearing is required for regulations issued under this statutory provision.

Pending a public hearing on this matter, no regulatory action will be taken against certified raw milk for its failure to comply with the order's pasteurization requirements. Of course, if certified raw milk is found to contain harmful bacteria or to be in violation of other provisions of the Federal Food, Drug, and Cosmetic Act, appropriate action will be taken.

2. Vitamin labeling. One objection suggested that the phrase "Vitamin D" or "Vitamin D" or "Vitamin D added" required by \$\frac{1}{2}\$ 18.2 (e) (1) (1), 18.10(e) (1) (ii), 18.20(e) (1) (i), 18.520(e) and 18.525(e) would be misleading to the consumer since 98 percent of all milk produced in this country already contains vitamin D. This objector also proposed that the statement, "This milk supplies Vitamin D, a necessary vitamin" or "This milk does not supply

Mailing address: Jefferson, AR 72079.

vitamin D, a necessary vitamin" appear on the principal display panel to alert the public to the fact that vitamin D is essential in human nutrition. No hearing was requested on this objection.

The Commissioner has reviewed this objection and concludes that the sugested labeling change should not be adopted. A declaration respecting the presence of vitamin D is clearly warranted since some of the homogenized milk produced in this country does not contain vitamin D. Furthermore, although most milk now contains vitamin D, if some firms discontinue the practice of adding vitamin D to their products, the necessity and desirability for differentiating between those products which contain vitamin D and those which do not will be even greater.

The Commissioner concludes there is no need to alert consumers that Vitamin D is essential in human nutrition since this fact is widely recognized by the average consumer. Moreover, where processors add vitamin D or where they make any nutritional claims for their products, recognition of vitamin D's importance in the diet will be given by label statements which set forth the percentages of United States Recommended Daily Allowances (U.S. RDA) for vitamins, under 21 CFR 1.17. Finally, there is nothing to prevent a manufacturer from adding a label declaration that vitamin D is essential in human nutrition if the applicable provisions of 21

CFR 1.17 have been met. 3. Nomenclature of nonfat dry milk and nonfat dry milk fortified with vitamins A and D. A manufacturer of nonfat dry milk objected to §§ 18.540(a) and (c) and 18.545(a) and (e) on the ground that they fail to require label declarations or product descriptions which inform consumers of the different processes for making nonfat dry milk. Specifically, the objection contended that there are two principal ways to remove water from pasteurized skim milk, and that these result in sufficiently different products to require that the term "spray "roller" or "agglomerated" appear on the principal display panel of the product. In support of this contention, the manufacturer contended that it is customary to add lactose, emulsifiers and/or stabilizers to agglomerated milk (but not to roller or spray dried milk), and that consumers should be advised of such additives since they cause a higher carbohydrate content and thus a nutritionally inferior product. The objection also maintained that the different processes result in products with different bulk densities, which affect proper measuring, and susceptibilities to bacteriological contamination.

The objection failed to identify any evidence in support of its position. The Commissioner has reviewed this objection and finds that it does not raise a substantial issue of fact which war-

rants a hearing.

It is self-evident that prominent display of the terms, "spray process", "roller process" or "agglomerated proc-

ess" would be meaningless to the vast majority of consumers and, in most instances, would result in unnecessary confusion. Moreover, even if it were true, as claimed by the objector, that one production method resulted in a significant nutritional improvement, it is clear that the terms "spray process", "roller process" and "agglomerated process", by themselves, would not apprise consumers of this fact. Since these products are subject to nutrition labeling pursuant to 21 CFR 1.17, any difference in nutritional properties between these products will be disclosed in their labeling. Similarly, any differences in bulk density which affect measuring procedures to be followed when reconstituting dry milk to fluid milk can only be brought to the consumer's attention by adequate directions for use in the labeling, addressed to the specific information sought to be conveyed. A manufacturer using a process that results in a product that is less susceptible to bacteriological contamination is, of course, permitted to state that fact if he can support it with adequate scientific evidence. Nor, is there anything to prevent a manufacturer, if he desires, from informing consumers with appropriate labeling, of the particular processing method used.

Moreover, all the evidence available to the Commissioner indicates that substances other than lactose are not being used in the agglomeration process and that the use of lactose, as a processing aid, results in no significant change in the carbohydrate content of dry milk.

The manufacturer also suggested that the description of nonfat dry milk include the term "instant" to differentiate those products which are readily soluble in cold water from those which are

not.

The Commissioner has considered this suggestion and finds it does not warrant a hearing. Since the objector admits that the less soluble variety of nenfat dry milk is used only in food processing and for nonbeverage purposes, it is obvious that it would not, under normal circumstances, be available to the consumer; hence, no consumer interest could possibly be served by differentiating between the two. Moreover, since virtually all manufacturers of soluble nonfat dry milk for household purposes currently label their products as "instant", and such labeling is clearly permissible, there is no reason to require such identifica-

4. Failure of the standards to provide for multivitamin and multimineral fortified fluid milk. One objection was filed requesting a hearing on the failure of the order in §§ 18.2, 18.10, and 18.20 to make provision for multivitamin and multimineral fortified fluid milk. The objection contended that fluid milk products are an appropriate vehicle for the addition of vitamins and minerals and presented some evidence in support of its contention.

After reviewing this objection and the evidence submitted, the Commissioner

concludes that a genuine and substantial issue of fact has been raised. The portions of the standards of identity which relate to the optional addition of vitamins will be stayed and no regulatory action will be taken against multivitamin and multimineral fluid milk products for including vitamins and minerals not provided for by the order, pending a public hearing on this matter.

Although a notice of proposed rule making for general principles governing the addition of nutrients to foods was published in the Federal Register of June 14, 1974 (39 FR 20900), the Commissioner concludes that it may be necessary to delay a hearing on this issue until after the promulgation of the nutrient regulations. Interested persons will be notified of the Commissioner's decision in a future Federal Register notice in which he will announce the hearing for Part 18.

5. The limitation on the use of stabilizers and emulsifiers in lowfat and skim milk. Eight objections were received to §§ 18.10(c)(3) and 18.20(c)(3) which limit the use of stabilizers and emulsifiers in lowfat and skim milk to 2 percent by weight of the optional milk-derived ingredients added. In each case the objections argued that, since stabilizers and emulsifiers give lowfat and skim milk a more palatable texture and appearance and since they are less expensive than milk-derived solids, their use should be freely permitted. The objections presented evidence purporting to show that use of these ingredients in the amounts contemplated would result in a product nutritionally comparable to a product with milk-derived solids added at levels below that required to use the phrase, "protein fortified" or "fortified with protein." In response to the Commissioner's contention that the unrestricted use of stabilizers and emulsifiers would make the products appear to be of better or greater quality than they really are and thereby violate 21 U.S.C. 342(b) (4), the objections stated that \$\$ 18.10(e)(1) and 18.20(e)(1) should be amended to require labeling disclosing the presence of emulsifiers and stabilizers. They argued that, if lowfat and skim milk which contain stabilizers and emulsifiers were properly labeled, consumers would not be deceived by their whole milk texture and appearance. None of the objections proposed the optional use of lactose.

The Commissioner concludes that stabilizers and emulsifiers are less expensive than milk-derived solids and that they give unfortified lowfat and skim milk a texture and appearance indistinguishable from products fortified with milk-derived solids. The Commissioner does not agree that the nutritional differences between a lowfat product with milk-derived solids added and one with stabilizers and/or emulsifiers added are insignificant; nor does the Commissioner agree that the economic adulteration and nutritional inequivalence can be cured by the labeling proposed in the objections. Since these matters raise genuine and

substantial issues of fact, the portions of the final order relating to them will be stayed pending a public hearing on these issues

 Requests for clarification. The three late responses each requested clarification of provisions which they considered ambiguous. None requested a hearing.

One submission asked if the phrase "other milk-derived ingredients" used in §§ 18.10(c) (2) and 18.20(c) (2) included products such as whey, casein, sodium, or calcium caseinate or mixtures thereof. The Commissioner advises that the quoted phrase does include these ingredients as long as the ratio of protein to total nonfat solids, and the protein efficiency ratio of all protein present, is not decreased as a result of adding such ingredients.

The two other submissions took opposite sides on the issue whether or not the standards for nonfat dry milk, § 18 .-540, and nonfat dry milk fortified with vitamins A and D, § 18.545, (and evaporated milk, § 18.520, concentrated milk, § 18.525, and sweetened condensed milk, § 18.530), permit the optional use of natural and artificial flavoring. One submission contended that the situation was unclear since, although these provisions do not explicitly provide for the use of flavorings, they refer to the standard for skim milk, § 18.20, which does provide for flavorings. Since flavored products such as flavored nonfat dry milk do not purport to be and are not represented as coming within the standard of identity, their distribution as nonstandardized foods could be continued after the establishment of an identity standard. The Commissioner concludes, however, that it would be reasonable to include provision for flavored nonfat dry milk. nonfat dry milk fortified with vitamins A and D, evaporated milk, concentrated milk and sweetened condensed milk. This order amends the regulations with appropriate label declarations as specified in 21 CFR 1.12.

II. Provisions stayed. Pursuant to 21 U.S.C. 371(e), the Commissioner hereby announces that the following provisions of the October 10, 1973 order are stayed by the objections filed, pending a public hearing to be announced at a later date:

1. Those portions of §§ 18.2(a), 10.10 (a), 18.20(a), 18.30(a), 18.501(a), 18.511 (a) and 18.515(a) pertaining only to the requirement that certified raw milk be pasteurized.

2. Those portions of § 18.2(b), (c) (1) and (e) (1) (i); § 18.10(b), (c) (1) and (e) (1) (ii); and § 18.20(b), (c) (1) and (e) (1) (i), insofar as they preclude the addition of vitamins other than vitamins A and D and their carriers and to the extent that they fail to provide a nomenclature for multivitamin milk, lowfat milk and skim milk.

3. Those portions of §§ 18.10(c) (3) and 18.20(c) (3) which prohibit the use of stabilizers and emulsifiers in lowfat and skim milk at greater than 2 percent by weight of the optional milk-derived in-

gredients added.

III. Effective date. Due to the delay in promulgating this order and in the in-

terest of fairness, the Commissioner hereby extends the effective date 180 days beyond that originally announced in the October 10, 1973 order.

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sees. 401, 701, 52 Stat. 1046, 1055–1056 as amended by 70 Stat. 919 and 72 Stat. 498; 21 U.S.C. 341, 371) and the Public Health Service Act (see. 361, 82 Stat. 1186; 42 U.S.C. 264) and under authority delegated to the Commissioner (21 CFR 2.120): It is ordered, That Part 13 as promulgated in the October 10, 1973 order be amended as follows:

1. In § 18.520 by revising paragraphs (c) and (e) to read as follows:

§ 18.520 Evaporated milk; identity.

(c) Optional ingredients. The following safe and suitable ingredients may be used:

(1) Carriers for vitamins A and D.

(2) Emulsifiers.

(3) Stabilizers, with or without dioctyl sodium sulfosuccinate (when permitted by, and complying with the provisions of, § 121.1137 of this chapter) as a solubilizing agent.

(4) Characterizing flavoring ingredients, with or without coloring, as follows:
 (i) Fruit and fruit juice, including

concentrated fruit and fruit juice.

(ii) Natural and artificial food flavor-

(e) Nomenclature. The name of the food is "Evaporated milk". The phrase "vitamin D" or "vitamin D added," or "vitamin A and D" or "vitamins A and D added," as is appropriate, shall immediately precede or follow the name of the food wherever it appears on the principal display panel or panels of the label in letters not less than one-half the height of the letters used in such name. The name of the food shall include a declaration of the presence of any characterizing flavoring, as specified in § 1.12 of this chapter.

2. In § 18.525 by revising paragraphs (c) and (e) to read as follows:

§ 18.525 Concentrated milk; identity.

(c) Optional ingredients. The following safe and suitable optional ingredients may be used:

(1) Carriers for vitamins A and D.

(2) Characterizing flavoring ingredients, with or without coloring, as follows:(i) Fruit and fruit juice, including

concentrated fruit and fruit juice.

(ii) Natural and artificial food flavor-

(ii) Natural and artificial food flavoring.

(e) Nomenclature. The name of the food is "Concentrated milk" or alternatively "Condensed milk." If the food contains added vitamin D, the phrase "vitamin D" or "vitamin D added" shall accompany the name of the food wherever it appears on the principal display panel or panels of the label in letters not less than one-half the height of the

letters used in such name. The word "homogenized" may appear on the label if the food has been homogenized. The name of the food shall include a declaration of the presence of any characterizing flavoring, as specified in § 1.12 of this chapter.

3. In § 18.530 by redesignating existing paragraphs (b), (c), and (d) as paragraphs (e), (d), and (e), respectively; and by adding a new paragraph (b) and revising redesignated paragraph (d) to read as follows:

§ 18.530 Sweetened condensed milk; identity.

(b) Optional ingredients. Safe and suitable characterizing flavoring ingredients, with or without coloring, as follows:

(1) Fruit and fruit juice, including concentrated fruit and fruit juice.

(2) Natural and artificial food flavoring.

(d) Nomenclature. The name of the food is "Sweetened condensed milk." The word "homogenized" may appear on the label if the food has been homogenized. The name of the food shall include a declaration of the presence of any characterizing flavoring, as specified in § 1.12 of the chapter.

4. In § 18.540 by redesignating existing paragraphs (b) and (c) as paragraphs (c) and (d), respectively; and by adding a new paragraph (b) and revising redesignated paragraph (d) to read as follows:

§ 18.540 Nonfat dry milk; identity.

(b) Optional ingredients. Safe and suitable characterizing flavoring ingredi-

ents, with or without coloring, as follows:

(1) Fruit and fruit juice, including concentrated fruit and fruit juice.

(2) Natural and artificial food flavoring.

5. In § 18.545 by revising paragraphs (c) and (e) to read as follows:

§ 18.545 Nonfat dry milk fortified with vitamins A and D; identity.

(c) Optional ingredients. The following safe and suitable optional ingredients may be used:

(1) Carriers for vitamins A and D.

(2) Characterizing flavoring ingredients, with or without coloring, as follows:

(i) Fruit and fruit juice, including concentrated fruit and fruit juice.

(ii) Natural and artificial food flavoring.

(e) Nomenclature. The name of the food is "Nonfat dry milk fortified with vitamins A and D." If the fat content is over 1½ percent by weight, the name of the food on the principal display panel or panels shall be accompanied by the statement "Contains —% milkfat", the blank to be filled in to the nearest one-tenth of 1 percent with the percentage of fat contained within limits of good manufacturing practice. The name of the food shall include a declaration of the presence of any characterizing flavoring, as specified in § 1,12 of this chapter.

Effective date. Compliance with the order of October 10, 1973, including any labeling changes required, may have begun on December 10, 1973, and all labeling used for products shipped in interstate commerce after June 30, 1975, shall comply with the regulations, except as

stayed by this order.

(Secs. 401, 701, 52 Stat. 1046, 1055-1056 as amended by 70 Stat. 919 and 72 Stat. 948; 21 U.S.C. 341, 371; and sec. 361, 82 Stat. 1186; 42 U.S.C. 264)

Dated: November 29, 1974.

WILLIAM F. RANDOLPH,
Acting Associate Commissioner
for Compliance.

[FR Doc.74-28402 Filed 12-3-74;8:45 am]

#### Title 23—Highways

CHAPTER I—FEDERAL HIGHWAY ADMIN-ISTRATION, DEPARTMENT OF TRANS-PORTATION

SUBCHAPTER E-PLANNING

PART 420—PROGRAM MANAGEMENT AND COORDINATION

Subpart B—Highway Planning and Research and Development—Contracts

Correction

In FR Doc. 74-27316 appearing in the issue of Friday, November 22, 1974, the fifth line of § 420.204(c) on page 40947 reading "costs, indirect costs, and proposed fee" should read "Cost Principles and Procedures, Federal".

#### Title 29-Labor

CHAPTER V—WAGE AND HOUR DIVISION, DEPARTMENT OF LABOR PART 673—THE FOOD AND KINDRED PRODUCTS INDUSTRY

#### Wage Order

Pursuant to sections 5, 6, and 8 of the Fair Labor Standards Act of 1938 62 Stat. 1062, 1064, as amended (29 U.S.C. 205, 206, 208), including the Fair Labor Standards Amendments of 1974 (Pub. L. 93-259; 54 Stat. 35), and Reorganization Plan No. 6 of 1950 (3 CFR 1949-53 Comp., p. 1004), and by means of Administrative Order No. 634 (39 FR 30941), the Secre-

tary of Labor appointed and convened Industry Committee No. 118 for the Food and Kindred Products Industry in Puerto Rico, referred to the Committee the question of the minimum rate or rates of wages to be paid under sections 6 (a), (b), and (c) of the Act to such employees, and gave notice of a hearing to be held by the Committee.

Subsequent to an investigation and a hearing conducted pursuant to the notice, the Committee has filed with the Administrator of the Wage and Hour Division of the Department of Labor a report containing its findings of fact and recommendations with respect to the matters referred to it.

Accordingly, as authorized and required by section 8 of the Fair Labor Standards Act of 1933, Reorganization Plan No. 6 of 1950, and 29 CFR 511.18, the recommendations of Industry Committee No. 118 are hereby published, revising §§ 673.1 and 673.2 of Part 673, Title 29, Code of Federal Regulations. The increases in future wage rates prescribed by sections 6(a), (b), (c) (2) (B) and (c) (5) of the 1974 Fair Labor Amendments are set forth in this wage order. The title to Part 673 is changed to conform to the description used by the Industry Committee.

 As amended, the title to Part 673 reads as set forth in the document heading.

2. As revised, §§ 673.1 and 673.2 read as follows:

#### § 673.1 Definition.

The Food and Kindred Products Industry in Puerto Rico is defined as follows: The canning, preserving (including freezing, drying, curing, pickling, and similar processes), or other manufacturing or processing, and the packaging in conjunction therewith, of foods, ice, alcoholic and nonalcoholic beverages, the handling, grading, packing, or preparing in their raw or natural state of fresh vegetables, fresh fruits, or nuts, and the gathering of wild plant or animal life; the production of raw sugar, cane juice, molasses, and refined sugar, and incidental by-products, and all railroad transportation activities carried on by a producer of any of these products (or by any firm owned or controlled by, or owning and controlling such producer, or by any firm owned or by any firm owned or controlled by the parent company of such producer) where the railroad transportation activities are in whole or in part used for the production or shipment of the products of the industry, and any transportation activities by truck, vessel, or other vehicle performed by a producer of products of such producer: Provided, however, That the industry shall not include any product or activity included in the chemical, petroleum, and related products industry or any transportation activity covered by the wage order for the communications, utilities, and transportation industry, or any transportation activity in which the agricultural exemption contained in section 13(a) of the Act was applicable prior to February 1, 1967. The industry includes, but is not limited to, the manufacture or processing of meat products, poultry and poultry products, milk and dairy products, fish and seafood products, fruit and vegetable products, grains and grain products, sugar and confectionery products, fats and oils, bakery products, beverages, and miscellaneous food preparations and kindred products.

#### § 673.2 Wage rates.

Wages at rates not less than those prescribed in this section shall be paid under section 6(c) of the Fair Labor Standards Act of 1938 by every employer to each of his employees in each of the classifications in the industry who in any workweek is engaged in commerce or in the production of goods for commerce or is employed in an enterprise engaged in commerce or in the production of goods for commerce as those terms are defined in section 3 of the Act.

(a) Pre-1966 coverage classifications. The classifications for pre-1966 coverage apply to all activities in the industry to which section 6 of the Fair Labor Standards Act would have applied prior to the Fair Labor Standards Amendments of

1966.

(1) Alcoholic beverage classification.
(i) The minimum wage rate for this classification is \$2.00 an hour for the period ending December 31, 1974. Since the mainland rate has been attained, the rates specified in section 6(a) (1) now apply, namely, \$2.10 an hour during the year ending December 31, 1975 and \$2.30 an hour thereafter (section 6(c) (5)).

(ii) This classification is defined as the manufacture, including, but without limitation, the distilling, rectifying, blending, or bottling of rum, gin, vodka, brandy, cordials, liqueurs, wines, ale, beer, and similar malt beverages with or without alcohol, and other alcoholic

beverages.

(2) Yeast and canned tuna fish classification. (1) The minimum wage rate for this classification is \$2.00 an hour for the period ending December 31, 1974. Since the mainland rate has been attained, the rates specified in section 6(a) (1) now apply, namely, \$2.10 an hour during the year ending December 31, 1975 and \$2.30 an hour thereafter (section 6(c) (5)).

(ii) This classification is defined as the manufacture of yeast, and the cooking and canning of tuna fish and of tuna-like fish and the manufacture of by-products

therefrom.

(3) Biscuit, cracker and bread, rice and lard, and animal feeds classification. (1) The minimum wage rate for this classification is \$2.00 an hour for the period ending December 31, 1974. Since the mainland rate has been attained, the rates specified in section 6(a) (1) now apply, namely, \$2.10 an hour during the year ending December 31, 1975 and \$2.30 an hour thereafter (section 6(c) (5)).

(ii) This classification is defined as the manufacture of biscuits, crackers, such as saltines, crackers known as rositas or vanilla crackers, and like products; pastry and cakes, bread and rolls; processing and packaging of rice and lard; and the manufacture of mixed feeds for

poultry and cattle.

(4) Soft drink and ice cream, ices and similar frozen products classification. (1) The minimum wage rate for this classification is \$2.00 an hour for the period ending December 31, 1974. Since the mainland rate has been attained, the rates specified in section 6(a) (1) now apply, namely, \$2.10 an hour during the year ending December 31, 1975 and \$2.30 an hour thereafter (section 6(a) (5) and \$2.30 an hour thereafter (section 6(a) (6)).

(ii) This classification is defined as the manufacture and distribution of soft drinks and ice cream, ices and similar

frozen products.

(5) Milk processing and distribution classification. (1) The minimum wage rate for this classification is \$1.75 an hour. Unless otherwise provided, the wage rates in this section are increased by \$.15 an hour on May 1, 1975, and on May 1 of each subsequent year until the mainland rate is reached pursuant to section 6(c) (2) of the Act.

(ii) This classification is defined as the collecting, pasteurizing, homogeniz-

ing and distributing of milk.

cation for pre-1961 coverage. (1) The minimum wage rate for this classification is \$1.75 an hour. Unless otherwise provided, the wage rates in this section are increased by \$1.5 an hour on May 1, 1975, and on May 1 of each subsequent year until the mainland rate is reached pursuant to section 6(c) (2) of the Act.

(ii) This classification is defined as all activities of establishments manufacturing candy and gum products to which section 6 of the Fair Labor Standards Act applied prior to the Fair Labor Standards Amendments of 1961.

(7) Candy and gum products classification for 1961 coverage. (1) The minimum wage rate for this classification is \$1.70 an hour. Unless otherwise provided, the wage rates in this section are increased by \$.15 an hour on May 1, 1975, and on May 1 of each subsequent year until the mainland rate is reached pursuant to section 6(c) (2) of the Act.

(ii) This classification is defined as all activities of establishments manufacturing candy and gum products to which section 6 of the Fair Labor Standards Act applies solely by reason of the Fair Labor Standards Amendments of 1961.

(8) Other products and activities classification. (1) The minimum wage rate for this classification is \$1.85 an hour. Unless otherwise provided, the wage rates in this section are increased by \$15 an hour on May 1, 1975, and on May 1 of each subsequent year until the mainland rate is reached pursuant to section 6(c) (2) of the Act.

(ii) This classification is defined as all products and activities that are not included in any other pre-1966 coverage

classification for the industry.

(b) 1966 coverage classifications. The classifications of 1966 coverage apply to all activities in the industry to which section 6 of the Fair Labor Standards Act applies solely by reason of the Fair Labor Standards Amendments of 1966.

(1) Alcoholic beverage classification.
(1) The minimum wage rate for this classification is \$1.90 an hour for the period ending December 31, 1974. Since the mainland rate has been attained, the rates specified in section 6 b) now apply, namely, \$2.00 an hour during the year ending December 31, 1975; \$2.20 an hour during the year ending December 31, 1976; and \$2.30 an hour thereafter (Section 6 (c) (5)).

(ii) This classification is defined as the manufacture, including, but without limitation, the distilling, rectifying, blending, or bottling of rum, gin, vodka, brandy, cordials, llqueurs, wines, ale, beer, and similar malt beverages with or without alcohol, and other alcoholic

beverages.

(2) Yeast and canned tuna fish classification. (1) The minimum wage rate for this classification is \$1.90 an hour for the period ending December 31, 1974. Since the mainland rate has been attained, the rates specified in section 6(b) now apply, namely, \$2.00 an hour during the year ending December 31, 1976; \$2.20 an hour during the year ending December 31, 1976; and \$2.30 an hour thereafter (section 66(c) (5)).

(ii) This classification is defined as the manufacture of yeast, and the cooking and canning of tuna fish and of tunalike fish and the manufacture of by-

products therefrom.

(3) Biscuit, cracker and bread, rice and lard, and animal feeds classification.

(1) The minimum wage rate for this classification is \$1.90 an hour for the period ending December 31, 1974. Since the mainland rate has been attained, the rates specified in section 6(b) now apply, namely, \$2.00 an hour during the year ending December 31, 1975, \$2.20 an hour during the year ending December 31, 1976; and \$2.30 an hour thereafter (section 6(c) (5)).

(ii) This classification is defined as the manufacture of biscuits, crackers, such as saltines, crackers known as rositas or vanilla crackers, and like products; pastry and cakes, bread and rolls; processing and packaging of rice and lard; and the manufacture of mixed feeds for

poultry and cattle.

(4) Soft drink and ice cream, ices and similar frozen products classification. (1) The minimum wage rate for this classification is \$1.90 an hour for the period ending December 31, 1974. Since the mainland rate has been attained, the rates specified in section 6(b) now apply, namely, \$2.00 an hour during the year ending December 31, 1975; \$2.20 an hour during the year ending December 31, 1976; and \$2.30 an hour thereafter (section 6(c) (5)).

(ii) This classification is defined as the manufacture and distribution of soft drinks and ice cream, ices and similar

frozen products.

(5) Milk processing and distribution classification. (1) The minimum wage rate for this classification is \$1.75 an hour. Unless otherwise provided, the wage rates in this section are increased by \$.15 an hour on May 1, 1975, and on

May 1 of each subsequent year until the mainland rate is reached pursuant to section 6(c) (2) of the Act.

(ii) This classification is defined as the collecting, pasteurizing, homogenizing

and distributing of milk.

(6) Candy and gum products classification. (1) The minimum wage rate for this classification is \$1.75 an hour. Unless otherwise provided, the wage rates in this section are increased by \$.15 an hour on May 1, 1975, and on May 1 of each subsequent year until the mainland rate is reached pursuant to section 6(c) (2) of the Act.

(ii) This classification is defined as the manufacture of candy and gum products.

(7) Other products and activities classification. (1) The minimum wage rate for this classification is \$1.85 an hour. Unless otherwise provided, the wage rates in this section are increased by \$.15 an hour on May 1, 1975, and on May 1 of each subsequent year until the mainland rate is reached pursuant to section 6(c) (2) of the Act.

(ii) This classification is defined as all products and activities that are not included in any other 1966 coverage clas-

sification for the industry.

(Secs. 5, 6, 8, 52 Stat. 1082, 1064 as amended; 29 U.S.C. 205, 208)

Effective date. This revision is effective December 21, 1974.

Signed at Washington, D.C., this 27th day of November 1974.

BETTY SOUTHARD MURPHY,
Administrator, Wage and
Hour Division.

[FR Doc.75-28397 Filed 12-4-74; 8:45 am]

Title 34—Government Management

CHAPTER II—OFFICE OF FEDERAL MAN-AGEMENT POLICY, GENERAL SERV-ICES ADMINISTRATION

SUBCHAPTER D—FINANCIAL MANAGEMENT
PART 257—FUND CONTROL

#### **Administrative Policies**

This document converts Part III, Office of Management and Budget Circular No. A-34, into a General Services Administration Federal Management Circular (FMC 74-9) in accordance with Executive Order 11717 and Office of Management and Budget Bulletin 74-7 which transferred certain office of Management and Budget responsibilities to the General Services Administration. FMC 74-9, dated November 22, 1974, provides policies concerning agency regulations for the administrative control of funds.

Effective date. This regulation is effective November 22, 1974.

Dated: November 22, 1974.

ARTHUR F. SAMPSON,
Administrator of General Services.

Part 257, Fund control, is added to read as follows:

257.1 Purpose.

Supersession. 257.3 Background.

257.4 Applicability and scope.

257.5 Definitions. 257.6

Policies and procedures. 257.7 Inquiries

12315, May 11, 1973).

AUTHORITY: Executive Order 11717 (38 FR

#### § 257.1 Purpose.

This part sets forth policies concerning agency regulations for the administrative control of funds.

#### § 257.2 Supersession.

This part supersedes Part III, Office of Management and Budget Circular No. A-34

#### § 257.3 Background.

The activities covered by this part were among those for which responsibility was reassigned from the Office of Management and Budget (OMB) to the General Services Administration (GSA) under Executive Order 11717.

#### § 257.4 Applicability and scope.

The provisions of this part apply to all executive departments and establishments except the municipal government of the District of Columbia.

#### § 257.5 Definitions.

For the purpose of this part, the terminology and concepts of OMB Circular No. A-34 shall apply.

#### § 257.6 Policies and procedures.

a. Administrative control of funds systems. (1) Section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), requires the head of each executive agency, subject to the approval of the Director of OMB, to prescribe, by regulation, a system of administrative control of funds, not inconsistent with any accounting procedures prescribed by or pursuant to law. The approval responsibility is now vested in the Administrator of General Services under Executive Order 11717. This system will be designed to: (i) Restrict obligations and disbursements against each appropriation or fund to the amount of apportionments or reapportionments and (ii) enable the agency head to fix responsibility for the creation of any obligation or the making of any disbursement in excess of an apportionment or reapportionment.

(2) Agency administrative control systems may include provisions for divisions and subdivisions of budget authority within the limits of apportionments. Allotment systems and internal reporting systems should be designed so that responsibility for control of funds is placed at the highest practical organizational level consistent with effective and efficient management. For example, for each appropriation or fund a single allotment to the head of an operating unit within the amount apportlened provides an appropriate basis for monetary control without further allotting the funds by the several object classes or other breakdown below the apportionment level.

(3) An elaborate and costly allotment system by itself does not provide adequate data for reviewing the efficiency and economy with which funds are used. When a need exists for the establishment of classifications or subdivisions below apportionment and allotment control levels, they should be specifically provided for in the system and distinguished from allotments and suballotments established for the purpose of controlling apportionments pursuant to the provisions of section 3679 of the Revised Statutes. Agencies should develop and lmplement operating cost type budgets or similar financial management systems as a means of managing programs, rather than elaborate and costly allotment systems. However, in all instances agency administrative control systems must be fully integrated with accounting systems.

b. Treatment of estimated reimbursements. (1) The apportionment system provided in OMB Circular No. A-34 permits inclusion of estimated reimbursements, income, and estimated amounts of indefinite appropriations which do not require further congressional action (but does not permit inclusion of anticipated additional appropriations not yet enacted) in determining the amounts available for apportionment. The inclusion of such estimates in determining the amounts available for apportionment in no way authorizes an agency to obligate or make disbursements in excess of the amounts to become available from such SOUTCES

(2) If, during the year, it is determined that material revisions need to be made to such estimates, reapportionment requests should be submitted to OMB. Available reimbursements, in addition to entitlement to reimbursements based on goods and services furnished, may include, as authorized by law, the amount of interagency orders received which represent valid obligations of the ordering agency to the extent that the reimbursements therefor will be placed in the current account when collected, and the amount of unfilled customers' orders from the public for which advance payment has been made. The system of administrative control should therefore be designed to ensure that obligations or disbursements do not exceed allotments and apportionments, or do not exceed the amounts which will actually become available, whichever is the smaller.

c. Review and approval of systems for administrative control of funds. (1) Four copies of proposed agency regulations covering new systems for administrative control of funds and proposed revisions of existing systems will be submitted to the Administrator of General Services for approval. GSA will coordinate the review of such regulations with OMB. In the instance of a newly created agency, the proposed system of administrative control will be submitted within 90 calendar days after the establishment of the agency. The Administrator of General Services will indicate to the new agency the action taken in this regard within 30 calendar days after receipt of the proposed regulations.

(2) GSA, in its review of agency regulations governing the administrative control of funds, will expect such regulations to meet the criteria outlined in subparagraph 6a, above. In addition, the regulations must afford a prompt and adequate reporting of violations of the regulations and the law. (See Part VII of OMB Circular No. A-34.)

(3) The system of administrative control should be reviewed periodically to determine whether (1) it is consistent with the current organization of the agency and (2) improvements could be made. Special attention should be given to the possible need for revision of the system whenever a violation of section 3679 of the Revised Statutes occurs. Heads of agencies will continue to submit reports on violations of the regulations and the law to the President through the Director of OMB as provided in OMB Circular No. A-34.

#### § 257.7 Inquiries.

Further information concerning this part may be obtained by contacting: General Services Administration (AMF) Washington, DC 20405

Telephone: IDS 183-33674, FTS 202-343-3674 [FR Doc.74-28396 Filed 12-4-74;8:45 am]

Title 40-Protection of Environment CHAPTER 1-ENVIRONMENTAL PROTECTION AGENCY SUBCHAPTER C-AIR PROGRAMS [FRL 297-6]

#### PART 80-REGULATION OF FUELS AND FUEL ADDITIVES

Liability of Branded Refiners

On April 11, 1974, the Environmental Protection Agency proposed to amend the regulations set forth at 40 CFR Part 80 providing for the general availability of unleaded gasoline by July 1, 1974. (39 FR 13174, as corrected at 39 FR 15315). The proposed amendments were applicable to \$ 80.23 of the regulations which defines the conditions under which gasoline retailers and suppliers will be deemed in violation if the gasoline contained in a retailer's unleaded gasoline tank is found to exceed the standards for lead and phosphorus established in § 80.1(g). The Agency has evaluated the proposal in light of the comments received and in light of the requirements of the decision of the U.S. Court of Appeals for the District of Columbia Circuit which reviewed the liability provisions of Section 80.23 as originally promulgated. "Amoco Oil Inc. v. EPA," 6 ERC 1481 (D.C. Cir. 1974). The proposed amendments as modified in response to the court decision and the comments of interested parties are promulgated below.

A. Proposal to amend provision for liability of branded refiners. Under the provisions of § 80.23 as promulgated on January 10, 1973, branded gasoline refiners were deemed in violation for failure of unleaded gasoline to comply with the standards where the corporate, trade, or brand name of the refiner or any of its marketing subsidiaries appeared on the

pump stand or was displayed at the retail outlet from which the gaseline was sold. The refinite was deemed in violation for a failure of branded product to comply with standards brespective of whether any other refiner, distribution, or retailer or the emplayee or agent of such an explicit of the remaining of the refiner.

Where gasoline is not sold under a refiner's brand name, the distributor who sold the retailer the gasoline in the retail outlet storage tank at the time of the violation was deemed in violation, unless he could show that some other distributor might have sold the retailer the gasoline and that the violation was not caused by him or his employee or agent.

In the preamble to the amendments on April 11, 1974, the agency set forth in detail the factual background of the adoption of § 80.23, the justification for establishing a system of liability focused on the supplier, and the reasons for proposing amendments to § 80.23. Except as indicated below, the comments did not dispute the facts cited in the sumary or the rejection of certain alternative approaches to liability. Those facts and conclusions are not repeated here but are incorporated by reference and form part of the basis for the amendments promulgated.

The amendments proposed qualified the liability of branded refiners for violations caused by illegal acts and for certain violations occurring in the jobber distribution chain. This proposal was in response to the objections of branded refiners that they lacked sufficient control of the branded distribution chain to prevent affirmative misconduct by retailers or distributors resulting in a violation, and that their control of the product sold to jobbers for distribution through jobber-supplied The outlets was defined by contract. branded refiners asserted they should not be deemed in violation where jobbers or jobber-supplied outlets caused the violation.

Under the proposed amendment, a branded refiner would not be deemed in violation if he shows that the violation was not caused by him or his employee or agent, and if he demonstrates that the violation was caused by an act in violation of law. This provision could be invoked in cases of sabotage, fraud, commingling, or other illegal conduct by any retailer or distributor resulting in a

violation of the regulations. In addition, the branded refiner would not be deemed in violation if he could show that the unleaded gasoline offered at a retail outlet supplied by a jobber (reseller) whose facilities are not owned, leased, or controlled by the refiner was not in compliance due to a violation of a contractual undertaking between the reseller and the refiner designed to prevent such a violation and despite the refiner's reasonable efforts to insure compliance with such contractual undertaking. Reasonable efforts by a refiner might consist of a periodic sampling program to test unleaded gasoline distributed through jobbers.

These changes were incorporated in the following proposed revision of § 80.23 (b) (2):

(2) In any case in which a retailer and my gasetime rethree would be in violation under paragraph (a) (1) of this section the rethree shall not be deemed in violation if he can demonstrate:

(1) that the violation was not caused by him or his employee or agent; and

(III) that the violation was caused by an act in violation of law (other than the Act or this part) or that the violation was caused by the action of a resolver or a relative supplied by such resolver, in violation of a contractional obligation imposed by the realiner on such resolver designed to prevent such action, and despite reasonable efforts by the refiner (such as periodic sampling) to insure compilance with such contractual obligation.

A proposed § 80.2(n) defined a "reseller" as "any person who purchases gasoline identified by the corporate, trade, or brand name of a refiner from such refiner or a distributor and resells it to retailers displaying the refiner's brand, and whose assets or facilities are not owned, leased, or in any way controlled by such refiner."

In the preamble to the proposal, the Agency explained that while the proposed amendments would permit a branded refiner to assert that a violation occurred at a direct-supplied branded outlet due to illegal action by a retailer or distributor, the amendment was not applicable to violations allegedly caused by failure of such a retailer or distributor to comply with a contract with the refiner and that the refiner would still be deemed in violation for noncompliance allegedly caused by the negligence of operators of facilities owned, leased, or hired by him unless illegal action is involved.

The Agency also stated that a reasonably specific showing by the refiner as to the cause of the violation would be required under the proposed amendments. While the refiner would not be expected to identify the party guilty of illegal or negligent conduct in all cases, he would be required to account closely for the gasoline shipment to show how the violation occurred or must have occurred.

B. Changes in provision for strict liability of branded refiners in light of the Amoco decision and the comments. 1. The Amoco Decision. On petition for review of the provision for strict liability of branded refiners, the U.S. Court of Appeals for the District of Columbia Circuit held that \$ 80.23 as originally promulgated is invalid to the extent that it excludes "certain affirmative defenses. "Amoco Oil Inc. v. EPA", 6 ERC 1481. 1482. EPA's proposed amendments to the liability provisions were not considered by the Court in reaching its decision. However, the opinion defines the supplier's liability in a manner that is consistent in most respects with the amendments proposed.

The Court observed that the issues separating the refiner-petitions and the Agency were relatively narrow. The Court's discussion of those issues was as follows; (6 ERC at 1498.)

In their belofa, and parkinalarly at oral argument, petitionies coincided that lead contamination of passition and as retail is applically caused in the pre-retail engos of the distribution chain. Offers that it would be extremely difficult for the Agency to to-cate the source of contamination in each instance, petitioners conceded that a pre-value to source of contamination in each instance, petitioners conceded that a pre-value retail cuttor in manded gazzine with respect to the retail cuttor in manded gazzine with respect to the retain of the outlets product. But, in petitioners' view, the presumption should be a rebuttable ensure of the contamination, liability should fall elsewhere. Likewise, if a rether can show that it could not be table.

Petitioners acknowledge that, while finers do not own or directly lease or hire all of the facilities making up the distribution network for their branded gasoline, refiners can evert considerable control over the other facilities through contractual agreements providing for regular inspections and for stiff damages upon contamination of the branded product. To this extent petitioners do not challenge the State-ment's finding "that the contamination of unleaded gasoline associated with transportalion of the product can best be prevented by the major refiners who have control or the ability to control their distribution networks." But petitioners do vigorously as-sert that a refiner should not be liable if it can show that the contamination of the branded product resulted from an unforeseeable act of vandalism by a third party or from an unpreventable breach of contract by a distributor or jobber.

EPA has, in our judgment, falled to explain why the presumption of liability created by 40 GFR 80.33(a) (1) & (2) should not be rebuttable in the circumstances outlined by petitioners.

The Court concluded that there was insufficient support from the record, the Agency's statement, and concessions of counsel for excluding affirmative defenses to the liability imposed and that in enforcement actions, the provisions must be so construed. (6 ERC at 1499.)

Refiners and distributors must have the opportunity to demonstrate freedom from fault. A distributor which can show that its employees and agents did not cause the contamination at issue may not be held liable under 40 CFR § 60.25(a) (2). A refiner which can show that its employees, agents, or lessees did not cause the contamination at issue, and that the contamination could not have been prevented by a reasonable program of contractual oversight, may not be held liable under 40 CFR 80.23(a) (1).

EPA believes that the amendments proposed on April 11, 1973, with several modifications explained below, establish affirmative defenses in the circumstances outlined by petitioners in the Amoco litigation and recognized by the Court in its opinion. However, ten branded gasoline refiners who were among the sixteen who petitioned for review of the liability have submitted comments asserting that the proposed amendments cannot stand in light of the decision. They assert that refiners are still held vicariously liable for violations except for the limited circumstances set out in the proposed paragraph (b) (2). They contend that the refiners' right to demonstrate freedom from fault must be broadened in light of the court's mandate and recommend that EPA propose a revision.

The refiners point to the Court's statement that "if a refiner can show that it could not have prevented the contamination, it should not be liable." (6 ERC at 1498.) To suggest that this sentence requires EPA to entertain any and all affirmative defenses is to ignore the rest of the Court's discussion of liability. The Court's opinion is addressed to the issues as narrowed by petitioners' prior concessions, and the decision requires affirmative defenses under particular conditions described by petitioners. The pertinent discussion is as follows:

But petitioners do vigorously assert that a refiner should not be liable if it can show that the contamination of the branded product resulted from an unforescensile act of vandalism by a third party or from an unpreventable breach of contract by a distributor or jobber.

EPA has, in our judgment, failed to explain why the presumption of liability created by 40 CFR 80.23(a) (1) & (2) should not be rebuttable in the circumstances outlined by petitioners. (Italic supplied.)

The Agency therefore cannot accept the argument made in the refiners' comments that EPA must disregard the areas of agreement on refiners' responsibility established in a lengthy process of negotiation and litigation. It is correct that in some circumstances under the proposed amendment, "Itlhe refiner shall be deemed in violation irrespective of whether any refiner, distributor, or retailer, or the employee or agent of any refiner, distributor or retailer may have caused or permitted the violation." (§ 80.23(a)(1)). But this sentence is qualified by the affirmative defenses described in § 80.23(b) (2) and the introductory phrase "[e]xcept as provided in paragraph (b) (2) of this section" has been added to emphasize that fact.

The circumstances in which branded refiners continue to be deemed in violation irrespective of whether other refiners, distributors, or retailers may have caused the contamination of unleaded gasoline include violations caused by the actions of exchange partners under exchange agreements, mishandling by carriers upstream of the terminal where the refiners regain sufficient control of the product to prevent further distribution of contaminated unleaded gasoline, and negligent actions of lessee-retailers. The branded refiners who petitioned for review of the liability provisions did not contest the imputation of responsibility and liability for violations caused by exchange partners and refinery-to-terminal transport facilities, and their objections to liability for the negligent actions of branded lessee-retailers were not accepted by the Court in the Amoco decision. In these circumstances, therefore, the branded refiners are deemed in violation irrespective of the acts of others. While EPA is amending § 80.23 (b) (2) to add affirmative defenses of contractual oversight in the case of violations caused by terminal-to-retail outlet transport facilities, a revision consistent with the Amoco decision, the

Agency finds nothing in the decision that requires EPA to start from the beginning in demarcating refiner's liability for violations of the lead regulations.

2. Response to comments on affirmative defenses of branded refiners. a. Acts in violation of law. Under the proposed amendment, a branded refiner is not deemed in violation if he can demonstrate that the violation "was caused by an act in violation of law (other than the Act or this part);" '§ 80.23(b) (2) (ii). One refiner has commented that the acts contemplated by this provision-sabotage, vandalism, fraud through deliberate commingling of two different grades of gasoline or, sale of product other than the branded product through the branded pump-may not have been definitely established as violations of law under statute or case law. The refiner requested that these acts be defined in the regulations

We do not think the refiner should be prevented from raising this defense by the fact that the actions contemplated by this provision may not be a violation of law in a particular jurisdiction where a violation of the regulations of this Part occurs. Section 80.23(b) (2) (ii) has been amended to specify the acts contemplated by the provision and to indicate EPA's intent in this regard.

b. Violations of contracts by lessee retailers or operator-owner retailers supplied directly by branded refiners. One refiner urges that the exception from refiner liability be extended to violations of contractual obligations imposed by refiners on branded retailers. We continue to believe that the refiner's responsibility extends beyond contractual oversight when the refiner owns or leases the branded station. It is clear from the Amoco decision that branded refiners may be deemed in violation for the negligent acts of their lessees, "Amoco Oil Inc. v. EPA", supra at 1499, and we adhere to the view that they should be. As stated above, the liability of branded refiners for such action is provided in § 80.23(a) (1). If the branded refiner can show that a lessee retailer has acted in violation of law as provided in § 80.23 (b) (2) (fi), he will be free of liability, but this defense does not apply to acts in violation of contract.

Clarification is required, however, regarding the branded refiner's liability for violations occurring at branded retail outlets bearing his brand and supplied directly by him, and not through a reseller, where the retailer is not a lessee of the refiner. The preamble of the April proposal (39 FR 13174, 13175) pointed out that a small percentage of gasoline retail outlets not supplied by jobbers (resellers) consists of stations owned by the operator, but the refiner's responsibility in such cases was not made clear.

It is not the intent of the regulations to impose the same liability upon the branded refiners where the retailers are operator-owners instead of lessees. The amendment to § 80.23 has therefore been modified to provide that where branded gasoline at an operator-owner retail out-

let offering gasoline to the general public is found to exceed the standards, the refiner will be able to raise the contract defense as provided in the jobber (reseller) distribution chain. Thus the refiner will be responsible for contracting to prevent contamination at such operator-owned outlets offering branded product and for exercising reasonable oversight of the contracts, but he will not be deemed in violation where the required contractual procedures have been violated by the retailer.

c. Violations by fleet operators carrying branded unleaded gasoline. Certain public and private operators of vehicle fleets offering branded gasoline are supplied directly by the refiner but own their own facilities. These fleet operators would be required by an amendment proposed on May 7, 1974 (39 FR 16137), to comply with the prohibition against dispensing leaded gasoline into vehicles requiring unleaded fuel, § 80.22(a) (1), although they are not required to offer unleaded fuel for sale to the general

A fleet operator dispensing branded unleaded gasoline only to its employees or customers utilizing rental equipment stands in a different relation to the refiner-supplier and to the public than a retail outlet offering branded product to the general public. Such an operator is an ultimate consumer, and the refiner makes no representation regarding the quality of branded product beyond the fleet operator to the public. Consequently, EPA believes the fleet operator and not the refiner should bear responsibility for monitoring the quality of unleaded gasoline once it is delivered to him by the refiner and that the fleet operator has capability and the economic leverage to protect himself against liability for violations caused by a delivery by the refiner of contaminated product.

The regulations, as amended, therefore, do not require the refiner to execute and oversee quality assurance contracts with feet operators to establish a defense to liability where unleaded gasoline dispensed by a fleet operator is found to exceed the standards. The refiner will not be deemed in violation if the refiner can show that the violation in such circumstances was not caused by him or his employee or agent. Section 80.23 (b) has been revised accordingly, with the addition of \$80.23(b) (2) (vii).

d. Refiner, liability for violations by carriers hired by the refiner. The amendments proposed would have charged the refiner with responsibility for violations caused by the failure of a distributor (except a reseller) to comply with a contract with the refiner unless illegal action by the distributor is involved. Thus, if a trucking firm engaged by a refiner to make deliveries to a lesse station caused the violation, the refiner would not be entitled to raise the defense of contractual oversight provided in the case of resellers under the amendment as proposed.

Refiner liability in this situation requires revision in light of the comments and the Amoco decision. When the carrier is not an agent of the refiner, the refiner should be able to raise the defense that the violation was caused by the act of a carrier in violation of contract despite the refiner's reasonable efforts to prevent a violation. This defense is available only in the case of contract carriers hired for terminal-toretailer transportation since the refiners have not disputed their ability to correct any contamination at the terminal where it is caused by carriers upstream of the terminal. We believe that a contract defense in cases of contamination by terminal-to-retailer carriers not owned by, or agents of, the refiner is consistent with the distinctions drawn in the Amoco decision, and § 80.23(b) has been revised to provide for this defense.

Several refiners have asserted that where transport is by common carrier operating under a tariff system, no independent contractual obligation between the refiner and the carrier is possible. The carrier's duties are defined by the tariff, the bill of lading, and applicable commercial law. The refiner-shipper is able to select the type of equipment to be used, however, and to test the product tendered before and after shipment via the common carrier. The refiner may also discontinue shipping through a common carrier with a history of contamination.

In response to this comment, § 80.23(b) has been amended to allow the refiner to raise the affirmative defense that the violation was caused by the action of a common carrier engaged by the refiner for transportation of gasoline from a terminal to a distributor or retailer despite the refiner's reasonable efforts to prevent such action. The refiner would be expected to show that prevailing standards of equipment had been specified and that the refiner had no reason to believe, based on a past pattern of violations, that the carrier would cause the gasoline to exceed the standards. The independent responsibilities of carriers, including common carriers, as dis-tributors of unleaded gasoline are discussed below in item D.

e. Violations of contractual undertakings by resellers or retailers supplied by resellers. Under the second affirmative defense provided in the amendment in § 80.23(a) (2) (ii), the refiner may show "that the violation was caused by the action of a reseller or a retailer supplied by such reseller, in violation of a contractual obligation imposed by the refiner upon such reseller designed to prevent such action and despite reasonable efforts by the refiner (such as periodic sampling) to insure compliance with such contractual obligation." This affirmative defense based on contractual oversight will also be available where the violation was caused by a retailer supplied by the refiner but whose assets or facilities are not owned by the refiner, or by a terminal-to-retailer carrier, as stated in the preceding sections. Several refiners requested changes in the formulation of the contract defense. A number of suggested clarifying changes have been made, but the basic elements of the amendment have been retained.

First, clarification of the definition of reseller is required to afford the refiner the full intended benefit of this contract defense. A reseller is defined in the proposed amendments as "any person who purchases gasoline identified by the corporate, trade, or brand name of a refiner from such refiner or a distributor and resells it to retailers displaying the refiner's brand, and whose assets or facilities are not owned, leased, or in any way controlled by such refiner." § 80.2 (n). As proposed, this definition might exclude resellers who make deliveries to retail outlets owned by the reseller if the transaction is an intra-company transfer instead of a sale. Exclusion of jobbers conducting business in that manner was not intended, and the definition has been amended to indicate that a reseller includes an entity who purchases branded gasoline from refiners or distributors and resells or transfers it to branded retailers.

One refiner has requested that the definition of reseller be changed to include persons "\* \* most or all of whose assets or facilities are not owned, leased, or in any way controlled by such refiner," adding the italicized words. EPA agrees that ownership, lease, or control by the refiner of an insubstantial portion of the reseller's assets or facilities should not be sufficient to eliminate the refiner's affirmative defense under § 80.23(h)(2) (iii), and the definition of reseller has been amended accordingly.

The same refiner also commented that there has not been adequate opportunity in all instances to insert appropriate clauses in existing contracts between refiners and resellers. The refiner suggests that the regulations be revised to permit the refiner to defend on the ground that a reseller failed to comply with the refiner's guidelines designed to prevent violations when there has not yet been an opportunity to establish contractual conditions.

We believe any such transition problems are better handled on a case by case basis than through a change in the regulations. If a refiner presents adequate reasons why the contract has not yet been executed, interim guidelines have been issued, and performance under them is being monitored, the Agency will not interpret § 80.23 rigidly to require a contract in force during a reasonable transition period.

Two refiners object to the required showing that the violation "was caused by the action of a reseller or a retailer supplied by such reseller, in violation of a contractual undertaking imposed by the refiner on such reseller designed to prevent such action \* \* " One proposes alternative language stating that the violation "occurred despite" a contractual obligation; the other suggests that the refiner need only show "that the refiner made reasonable efforts to en-

courage compliance with the regulations by the reseller," deleting the requirement for a contract as well as any showing that it was not observed by the reseller. Both refiners assert that these changes find support in the Amoco decision.

These suggestions are unacceptable to the Agency and are inconsistent, in our view, with the Amoco decision. We believe that a reasonably specific showing that the violation was caused or must have been caused by a reseller or other contracting party's failure to comply with the contract is necessary to promote the close accounting by refiners for unleaded gasoline distribution required to prevent contamination.

The Amocc decision adopts the petitionerr' assertion that the refiners should not be liable if contamination of branded product "resulted from an unforeseeable act of vandalism by a third party or from an unpreventable breach of contract by a distributor or jobber." "Amoco Oil Inc. v. EPA", 6 ERC at 1498. (Emphasis supplied And the discussion concludes with the statement that the refiner may not be held liable if he can show that "the contamination could not have been prevented by a reasonable program of contractual oversight . . ... Id. at 1499. These statements indicate that the specificity of the showing required by the court's opinion is fully consistent with the requirement of the amendment.

The same two refiners also request that EPA delete the reference to "periodic sampling" in the clause of \$80.23 (b) (2) (iii) stating that the violation was caused by violations of contract "and despite reasonable efforts by the refiner (such as periodic sampling) to insure compliance with such contractual obligation." They assert that this reference implies that the refiner must conduct periodic sampling at every retail outlet or reseller facility and that the sampling cannot be undertaken by knowledgeable third parties or by parties in actual control of a particular level of distribution.

The reference to periodic sampling as an example of reasonable efforts is Illustrative and does not require that sampling at any particular reseller facility or retail outlet be conducted at any particular time, so long as resellers and reseller-served retailers are included in a program to insure compliance with contractual undertakings. Nothing in the language precludes the delegation of sampling to other parties, where this can be accomplished subject to the refiner's duty of contractual oversight.

The Agency believes that further definition of specific contractual obligations and reasonable efforts in the regulations would limit the industry's flexibility in adopting procedures and programs to prevent contamination of unleaded gasoline. This result would impede the objectives of the regulations. The

formulation of a defense based on contractual obligations is intended to require, at a minimum, that refiners contract for specific quality assurance measures for branded unleaded gasoline suitable to the stage of distribution covered by the contract and that they exercise oversight responsibility so that these obligations are not taken lightly. The content of those measures is likely to develop and change as industry gains experience in the distribution of unleaded gasoline.

It should be emphasized, however, that a boiler-plate provision reciting that a reseller or distributor will comply with the requirements of this Part adds nothing to existing legal obligations and would also fail to accomplish EPA's objectives in assuring the availability of unleaded gasoline meeting the standards, Similarly, a provision requiring a reseller or other party to indemnify a refiner if a violation is caused by such party would not be considered a contractual undertaking designed to prevent violations if the indemnity clause is unaccompanied by specific quality assurance measures to be observed by the contracting party.

C. Duties of branded jobbers (resellers). Information submitted in the comments indicates that the duties of branded jobbers (resellers) under the regulations require clarification. An article in Oil Week dated April 22, 1974 suggests that branded jobers (resellers), in contrast to distributors who purchase and sell unbranded product, are not liable for fines if product at a branded pump supplied by a reseller is contaminated. This statement overlooks the requirements of § 80.21 of the regulations applicable to all distributors. That section provides as follows:

After July 1, 1974, no distributor shall sell to any distributor or retailer any gasoline which he represents is unleaded gasoline unless such gasoline does, in fact, meet the defined requirements for unleaded gasoline in § 80.2(g).

Most jobbers (resellers) are distributors as defined in § 80.2(1) and are subject to § 80.21. To assure that all resellers, including those who transfer gasoline to other distributors or retailers owned by the reseller without a transaction of sale. are equally subject to the requirements, § 80.21 has been amended to apply to transfers that are not sales.

The Agency has planned to charge the reseller with a violation of § 80.21 in all cases where unleaded gasoline found to be in violation of the standards has been sold or delivered to a retailer by a reseller, and represented to be unleaded gasoline. The reseller's showing of compliance with § 80.21 would necessarily establish that he did not cause the violation of § 80.22(a) (causing or allowing the introduction of leaded gasoline into a vehicle requiring unleaded gasoline).

We believe it will eliminate confusion regarding the duties of resellers to amend § 80.23 to state that branded resellers, like distributors of unbranded gasoline. will be deemed in violation of § 80.22 and that their liability will be at issue in

the proceeding including refiners and retailers. The reseller's defense to liability-that he or his employees or agents did not cause the violation-is the same whether the violation is charged under \$\$ 80.21 or 80.22. Accordingly, \$80.23(a)(1) is amended to include the reseller, and the reseller's affirmative defense is added in a new paragraph (c) of § 80.23.

D. Duties of carriers. Some refiners have pointed out that carriers may not be subject to the controls applicable to distributors provided in § 80.21 because they do not take title to and sell the product. Although the limitation of § 80.21 to transactions of sale is corrected in this rulemaking, the Agency has been informed of other reasons why § 80.21 in its present form does not establish duties applicable to carriers. The responsibilities of these distributors are defined in an amendment proposed in this issue of the Federal Register. The proposed amendment would prohibit distributor-carriers from causing unleaded gasoline tendered to them for transportation to fail to comply with the requirements of this part.

E. Other amendments. There were no comments on the proposed conforming amendment to eliminate the requirement that a distributor in the nonbranded distribution chain show that some other distributor may have sold the retailer the gasoline found to be in violation as an element of his defense. Thus, a distributor which can show that its employees and agents did not cause the violation at issue will not be held liable under § 80.23(a) (2). The amendment is promulgated as proposed and complies with the decision in the Amoco

There were similarly no comments regarding the proposed revisions of \$\$ 80.22 and 80.23 to make it clear that a completed sale of unleaded gasoline not in compliance with the regulations is not required for a violation of § 80.22. The broad language prohibiting a retailer from "causing or allowing" the introduction of leaded gasoline into vehicles requiring unleaded fuel was intended to cover a variety of actions including a holding out of unleaded gasoline not in compliance, dispensing of such gasoline as well as a completed sale. The amendment clarifying this intent is promulgated.

Because the regulations requiring general availability of unleaded gasoline were effective on July 1, 1974, and many of the amendments to be promulgated are required by the decision of the Court of Appeals decision made on May 1, 1973, the Agency finds that there is good cause for making these regulations effective December 5, 1974.

(Secs. 211 and 301(a) of the Clean Air Act, as amended (42 U.S.C. 1857f-6c and 1857g(a)))

Dated: November 27, 1974.

JOHN QUARLES, Acting Administrator.

Part 80 of Chapter I. Title 40 of the Code of Federal Regulations is amended as follows:

1. In § 80.2, a new paragraph (n) is added as follows:

\$ 80.2 Definitions. 6

(n) "Reseller" means any person who purchases gasoline identified by the corporate, trade, or brand name of a refiner from such refiner or a distributor and resells or transfers it to retailers displaying the refiner's brand, and whose assets or facilities are not substantially owned, leased, or controlled by such refiner

2. Section 80.21 is revised as follows:

§ 30.21 Controls applicable to gasoline distributors.

After July 1, 1974, no distributor shall sell or transfer to any distributor or retailer any gasoline which he represents is unleaded unless such gasoline does, in fact meet the defined requirements for unleaded gasoline in § 80.2(g).

3. In § 80.22, a revision is made to paragraph (a) as follows:

§ 80.22 Controls applicable to gasoline retailers.

(a) After July 1, 1974, no retailer or his employee or agent shall sell, dispense, or offer for sale unleaded gasoline unless such gasoline meets the defined requirements for unleaded gasoline in § 80.2(g); nor shall he introduce, or cause or allow the introduction of leaded gasoline into any motor vehicle which is labeled "unleaded gasoline only," or which is equipped with a gasoline tank filler inlet which is designed for the introduction of unleaded gasoline.

4. Section 80.23 is amended as follows: a. Paragraph (a) (1) is revised; b. Paragraph (a) (2) is revised; c. Paragraph (b) (2) is revised; d. Paragraph (c) is redesignated paragraph (e) and revised; e. A new paragraph (c) is added: f. A new paragraph (d) is added.

.

§ 80.23 Liability for violations. .

(a) (1) Where the corporate, trade, or brand name of a gasoline refiner or any of its marketing subsidiaries appears on the pump stand or is displayed at the retail outlet from which the gasoline was sold, dispensed, or offered for sale, the retailer, the reseller (if any), and such gasoline refiner shall be deemed in violation. Except as provided in paragraph (b) (2) of this section, the refiner shall be deemed in violation irrespective of whether any other refiner, distributor, or retailer or the employee or agent of any refiner, distributor, or retailer may have caused or permitted the violation.

(2) Where the corporate, trade, or brand name of a gasoline refiner or any of its marketing subsidiaries does not appear on the pump stand and is not displayed at the retail outlet from which the gasoline was sold, dispensed, or offered for sale, the retailer and any distributor who sold the retailer gasoline contained in the retail outlet storage tank which supplied that pump at the time of the violation shall be deemed in violation.

(b) (2) In any case in which a retailer,

a reseller (if any), and any gasoline refiner would be in violation under paragraph (a) (1) of § 80.23, the refiner shall not be deemed in violation if he can demonstrate:

(i) That the violation was not caused by him or his employee or agent; and

(ii) That the violation was caused by an act in violation of law (other than the Act or this part), or an act of sabotage, vandalism, or deliberate commingling of leaded and unleaded gasoline, whether or not such acts are violations of law in the jurisdiction where the violation of the requirements of this part occurred, or

(iii) That the violation was caused by the action of a reseller or a retailer supplied by such reseller, in violation of a contractual undertaking imposed by the refiner on such reseller designed to prevent such action, and despite reasonable efforts by the refiner (such as periodic sampling) to insure compliance with

such contractual obligation, or

(iv) That the violation was caused by the action of a retailer who is supplied directly by the refiner (and not by a reseller), and whose assets or facilities are not substantially owned, leased, or controlled by the refiner, in violation of a contractual undertaking imposed by the refiner on such retailer designed to prevent such action, and despite reasonable efforts by the refiner (such as periodic sampling) to insure compliance with such contractual obligation, or

(v) That the violation was caused by the action of a distributor subject to a contract with the refiner for transportation of gasoline from a terminal to a distributor or retailer, in violation of a contractual undertaking imposed by the refiner on such distributor designed to prevent such action, and despite reasonable efforts by the refiner (such as periodic sampling) to insure compliance with such contractual obligation,

(vi) That the violation was caused by a distributor (such as a common carrier) not subject to a contract with the refiner but engaged by him for transportation of gasoline from a terminal to a distributor or retailer, despite reasonable efforts by the refiner (such as specification or inspection of equipment) to prevent such action; or

(vii) That the retail outlet at which the violation occurred does not sell, dispense, or offer for sale gasoline to the general public: Provided, however, That if such retailer was supplied by a reseller, the refiner must demonstrate that the violation could not have been prevented by such reseller's compliance with a contractual undertaking imposed by the refiner on such reseller as provided in paragraph (b) (2) (iii) of this section.

(c) In any case in which a retailer. a reseller, and any gasoline refiner would be in violation under paragraph (a) (1) of § 80.23, the reseller shall not be deemed in violation if he can demonstrate that the violation was not caused by him or his employee or agent.

(d) In any case in which a retailer and any gasoline distributor would be in violation under paragraph (a) (2) of § 80.23, the distributor will not be deemed in violation if he can demonstrate that the violation was not caused by him or his employee or agent

(e) In any case in which a retailer or his employee or agent introduced leaded gasoline from a pump from which leaded gasoline is sold, dispensed, or offered for sale, into a motor vehicle which is equipped with a gasoline tank filler inlet designed for the introduction of unleaded gasoline, only the retailer shall be deemed in violation.

[FR Doc.74-28357 Filed 12-4-74;8:45 am]

Title 41-Public Contracts and Property

Management CHAPTER 5A-FEDERAL SUPPLY SERV-GENERAL SERVICES ADMINIS-TRATION

#### PART 5A-1-GENERAL

Preference Procedures for Small Business Concerns

This change to the General Services Administration Procurement Regulations (GSPR) updates and amplifies procedures related to small business concerns. The table of contents for Part 5A-1 is amended to add the following new entries:

General.

operations. Program direction. BA-1.704-1 5A-1.704-2 Program operations. 5A-1.706-1 General. Documentation and review of BA-1.706-51 small business set-aside determinations.

Agency program direction and

with

Subcontracting business concerns. Subpart 5A-1.7-Small Business Concerns

1. Section 5A-1.700 is added as follows:

§ 5A-1.700 General.

Sec.

5A-1.700

5A-1,704

5A-1.710

This subpart implements and supplements FPR 1-1.7 by setting forth the GSA small business program, including small business set-asides, and assigning responsibility for its implementation, evaluation, and administration.

2. Section 5A-1.701-8 is amended as follows:

§ 5A-1.701-8 Class set-asides for small husiness concerns.

(a) Clarification of class set-aside definition. In further explanation of § 1-1.705-3(b), a class set-aside may consist of an item, a group of related items under an FSC class, or a whole FSC class when restricted to small business on a continuing, as distinct from a one-time basis. Under this definition, a single item or a group of items restricted to small business on a continuing basis, even though constituting only a small portion of an FSC class, is defined as a class set-aside.

(c) Class set-aside determination, Small business class set-asides will normally be made on a unilateral basis by the contracting officer and documented in accordance with § 5A-1.706-51(a), using the format set forth therein. It should be noted that § 5A-1.706-51(a) requires that determinations shall be reviewed annually.

(d) Circulating information of class set-asides. In the interest of increasing class set-asides, each buying office establishing or dissolving a class set-aside shall circulate this information to all

other buying offices.

.

(e) Reporting class set-asides. All procurement offices shall take necessary measures to insure that class set-aside data included in management reports will be in accordance with the definition provided in § 1-1.701-8 and subparagraph (a) of this section. When an award involves a class set-aside, the face of the GSA Form 1535, Recommendation For Awards(s), shall be annotated as set forth in § 5A-1.706-6(g).

3. Section 5A-1.703-2 is amended as follows:

§ 5A-1.703-2 Protest regarding small business status.

(0) \* \* \*

(1) When submitting GSA Form 894, Financial Responsibility-Inquiry and Reply (see § 5A-1.1205-2(b)), a notation shall be entered in the "Remarks" block requesting the appropriate GSA finance activity to furnish any available information such as corporate affiliation, franchise arrangements, number of employees, volume of sales, and other information which may have a bearing on the small business status of the prospective contractor. A copy of the SF 33, Solicitation, Offer, and Award, (face and reverse) executed by the bidder (or an appropriate extract of the bid) shall be attached to the GSA Form 894 in order to provide the finance activity with the necessary information, particularly the affiliation and identifying data under paragraph 5 on page 2 of the bid.

When submitting GSA Form 353, Plant Pacilities Report (RCS FS-190) (see § 5A-1.1205-4) enter in Block 2 of the form "Being considered for preferential award as a small business concern' and request information as to (i) the firm's number of employees, and (ii) evidence of apparent affiliation relationships such as joint occupancy of premises.

. (0) . . .

(1) If award has not been made, the bid shall be rejected as nonresponsive where the procurement is totally setaside for small business concerns. Where the procurement is partially set-aside, the firm which has misrepresented its size status shall not be considered for preferential award under the set-aside portion. If it is determined that the bidder has made a willful (not inadvertent) misrepresentation of its size status, the firm shall be placed on the Review List of Bidders maintained pursuant to § 5A-

1.1205-50. (2) If award has been made, the contract should be canceled in accordance with the provisions of the clause prescribed in paragraph (b) above, unless cancellation would not be in the best interest of the Government. Prior to final action under this paragraph, the case shall be referred to the cognizant Assistant Commissioner for approval. Such submissions shall include the status of performance of the contract, the urgency of need for the items covered, any evidence bearing on the issue of whether the erroneous certification was willful or inadvertent and any other information which would be helpful in determining whether the contract should be terminated and whether the matter should be referred to the Department of Justice.

- 4. Section 5A-1.704 is added as follows:
- § 5A-1.704 Agency program direction and operations.
- 5. Section 5A-1.704-1 is added as follows:

#### § 5A-1.704-1 Program direction.

The head of each service or staff office is responsible for results under the small business program.

6. Section 5A-1.704-2 is added as follows:

#### § 5A-1.704-2 Program operations.

(a) Each procuring activity shall use Its best efforts to identify commodities and services where a potential exists for increasing the small business share of contract awards. Whenever feasible, contracting officers shall seek the assistance of Business Service Center (BSC) personnel and Small Business Administration (SBA) procurement representatives in locating qualified small business sources.

(b) The head of each procuring activity shall develop and continuously maintain training program as necessary to emphasize the importance of the small

business set-aside program.

(c) Each BSC will keep all other BSC's and the FSS Socio-Economic Policy Staff continuously informed on items of mutual interest under the small business program.

(d) Each BSC will:

- (1) Take appropriate actions to publicize advance and current information about business opportunities to the maximum extent feasible.
- (2) Provide maximum advance and current information, assistance, and counseling of such nature, extent, and timeliness that will enable small business concerns to take full advantage of the available business opportunities and to compete for contracts.

(3) Develop and conduct public information and business relations techniques designed to obtain maximum interest and participation of small business concerns. This activity will include, but not be limited to, the following:

(i) Arranging for and participating in meetings with business groups such as Chambers of Commerce, trade associations and similar organizations, State development corporations, Governors' and Mayors' advisory groups, local business and civic organizations, and small business councils.

(ii) Developing, preparing, and distributing informational material designed to stimulate interest on the part of small business concerns.

(iii) Developing interest and cooperation on the part of trade publications, the local press, and other media.

- (e) Proposed regulations and procedures affecting the operation of the small business program shall be coordinated with the SBA prior to issuance.
- 7. Section 5A-1.706-1 is added as follows:

#### § 5A-1.706-1 General.

Each procuring activity shall, to the maximum extent feasible, arrange for the making of small business set-asides on all contracting actions which qualify therefor, as provided in Subpart 1-1.7. In the initiation of small business set-asides, priority consideration shall be given to the establishment of class set-asides. Procuring activities shall periodically review individual set-asides to identify items suitable for class set-asides.

8. Section 5A-1.706-5 is revised as follows:

#### § 5A-1.706-5 Total set-asides.

When a total small business set-aside is made, one of the following statements, as appropriate, shall be placed on the face of the solicitation:

(a) Notice of Total Small Business Set-Aside applies to all items in this solicitation.

(b) Notice of Total Small Business Set-Aside applies to items \_\_\_ through

\_\_ in this solicitation.

- (c) Notice of Total Small Business Set-Aside applies to items \_\_\_ through and the attached GSA Form 1773. Notice of Partial Small Business Set-Aside (GSA Form 1773) applies to items \_\_\_ through \_\_\_ in this solicitation. The form requires certain information to be furnished by the offeror.
- 9. Section 5A-1.706-6 is amended as follows:

#### § 5A-1.706-6 Partial set-asides.

(c) Preparation of solicitation. In addition to the requirements of § 1-1.706-6. the following instructions are applicable when preparing solicitations involving requirement-type contracts and partial small business set-asides.

(1) The notice of partial small bustness set-aside as prescribed in § 1-1.706-6(c) is printed on GSA Form 1773, No-

tice of Partial Small Business Set-Aside (illustrated in § 5A-16.950-1773), with spaces for each bidder to provide certain information required by the notice. When a partial small business set-aside is made, a statement to that effect shall be placed on the face of, and the form made a part of, the solicitation. In this regard one of the following statements should be used, as appropriate:

(i) The attached GSA Form 1773, Notice of Partial Small Business Set-Aside. applies to item \_\_\_ through \_\_\_ in this solicitation. The form requires certain information to be furnished by the of-

feror.

(ii) The attached GSA Form 1773, Notice of Partial Small Business Set-Aside. applies to all items in this solicitation. The form requires certain information to be furnished by the offeror.

(4) When a group of items is covered by partial set-aside awards, it is not necessary to order identical quantities of each item from each portion of the award so long as at least a 60/40 division of the total value of the orders issued is attained. Additional orders needed to bring the value division within 60/40 limits can be made for any item included in the partial set-aside awards regardless of previous quantities ordered on that item.

(d) \* \*

(3) If the small business set-aside notice has been used and offers are received which appear designed to take unfair advantage of other offerors by devices such as unrealistically low offers on mere token quantities, the matter shall be referred to the appropriate division director for resolution.

(f) Partial coverage. When only the non-set-aside portion of the procurement is awarded prior to the expiration of the current contract, resulting contractual documents covering the transaction shall be distributed to the ordering activities to provide at least partial coverage of the requirements.

(g) Contract coding. To assure that set-asides are properly identified in the Procurement Transaction Reporting system (PTR), information regarding awards based on partial or total setasides as required in Block 20 on the reverse of the GSA Form 1535, shall be completed. Further, if a class set-aside is involved, the face of the GSA Form 1535 shall be annotated as follows: "Class set-aside applies to items \_\_\_\_

. 10. Section 5A-1.706-50 is revised as follows:

§ 5A-1.706-50 Documentation and review of procurements not set-aside for small business,

(a) Where a contracting officer makes a tentative decision that a procurement cannot be restricted for small business, the reasons for this determination shall

be recorded on GSA Form 2689, Procurement Not Set-Aside for Small Business. This form shall be completed through block 11, by all contracting officers, in sufficient copies to meet the distribution requirements shown below:

(1) Original copy—to local Regional Director, Business Service Center (For Central Office procurement divisions in Washington, D.C. only, the original is to be hand carried to the Socio-Economic Policy Staff (FH)).

(2) First copy-to procurement case

(3) Second copp—to local SBA representative. (Por Central Office procurement divisions in Washington, D.C. only, the second copy is to be hand carried to the SBA representative.)

(4) Third copy—Central Office procurement divisions in Washington, D.C. only, shall transmit the third copy, on a daily basis, to the Director, Business Services Staff (FT) for Information purposes, third copy not required for

regions.

(b) Review of the proposed small business non-set-aside procurement shall be completed by reviewing effices within 5 working days. If no response or objection is received within 5 working days, the contracting officer may assume concurrence by the reviewing offices in his determination not to make a small business set-aside procurement. Responsibility for these reviews shall be as follows:

(1) The SBA representatives and the regional directors of Business Service Centers have the responsibility for reviewing small business non-set-aside procurements for the procurement divisions in their respective regions. The Regional Director, Business Service Center, Region 2, shall also have responsibility for review of small business non-set-aside procurements for the Office Supplies and Paper Products Division (PPC) New York.

(2) The SBA representative and the Socio-Economic Policy staff (FH) are responsible for the review of small business non-set-aside procurements for the Central Office procurement divisions in

Washington, D.C.

(c) When the reviewing officials mentioned above can provide additional small business sources or if they have other information which might result in a set-aside procurement, the sources and or information shall be furnished to the contracting officer within the prescribed time. In this connection, reviewing officials who furnish additional small business sources should be completely aware of the capability of these sources to produce the item to be procured. Additionally, the furnishing of these small business sources should be based on information (including firms' interest to bid) obtained through actual contact with them and not merely firms selected from general registers or listings. If time is of the essence, additional small business sources and other pertinent information may be given orally to the con-tracting officer. The contracting officer shall consider any suggestion received

before making a final non-set-aside determination.

- (d) In the event a reviewing official disagrees with the contracting activity's determination not to make a small business set-aside on a proposed procurement, the matter shall be resolved in accordance with §§ 1-1.766-2 and 5A-1.766-51.
- (e) The following instructions are provided in order to facilitate the necessary review and analysis as required by this § 5A-1.706-50:

(1) All applicable portions of the form shall be completed.

(2) All forms shall be signed by the contracting officer in Block 10.

(3) All forms shall be reviewed and signed in Block 11 by the branch chief,

to in ficate concurrence.

(4) The form should include all the information that is available, for example, if there is a mixture of set-aside and non-set-aside items, the total number of items and total estimated dollar value of the procurement shall be included in addition to the non-set-aside number of items and dollar value.

(f) The above procedure does not apply to multiple-award Pederal Supply Schedule solicitations not previously setaside and the following commodities (and to others which may in the future be jointly determined with the SBA representatives to be clearly not susceptible to small business set-asides):

Clase 2010—Passenger motor vehicles—Ambulances, eedans, station wagons, buses, limousines, hearses, ambulances (truck mounted).

Class 2020—Trucks and fruck-tractors (except armored cars and mobile health, deutal and X-ray climic trucks). Class 2000—Trailers (except trailers, tilt

type). Class 2340 Motorcycles, motor scooters, bi-

Class 2340—Motorcycles, motor secoters, ticycles, and tricycles. Class 4310—Fire fighting, receipe and safety

equipment (except fire fighting trucks and trailers).

Class 7010-ADPE configuration.

Class 7020—ADP central processing unit (CPC computer), analog. Class 7021—ADP central processing unit

Class 7021—ADP central processing unit (CPU, computer), digital. Class 7022—ADP central processing unit

(CPU, computer), hybrid. Class 7005—ADP input/output and storage devices.

Class 7000-ADP software.

Class 7035-ADP accesorial equipment.

Class 7040—Punched card equipment. Class 7045—ADP supplies and support equip-

Class 7059-ADP components.

Class 7490—Embossing machines (table mounted), stencil cutting machines (hand and electric), and electric erasers.

- 11. Section 5A-1.708-51 is added as follows:
- § 5A-1.706-51 Documentation and review of small business set-aside determinations.
- (a) The determination to make a partial or total small business set-aside in connection with an individual procurement shall be noted in the procurement contract file. (See § 1-3.201(c) (2).) Class set-aside determinations shall be documented substantially in the format

set forth below and a copy shall be retained in the "purchase history" file or equivalent record covering the commodity or service involved.

> SMALL BUSINESS CLASS SET-ASIDE DETERMINATION

(List Items or services)

The above format should be appropriately modified with respect to any class of procurements proposed to be partially set-aside. It shall be signed by the contracting officer having procurement responsibility for the class of commodities involved and approved by the appropriate branch chief.

(b) In any procurement where a setaside is not considered feasible, the reasons for not making a set-aside shall be summarized in the procurement contract file. In addition, if the Central Office reviewing officials or the Regional Director, Business Service Center has recommended a set-aside for that procurement action, he shall be furnished a copy of the summary of the reasons for not making a set-aside. In other cases. the procurement contract files containing the reasons for not making a setaside shall be made available for review by the Central Office reviewing official or the Regional Director, Business Service Center, or his designee, on an on-site basis.

(c) In any case where the Central Office reviewing officials or the Regional Director, Business Service Center disagrees with a contracting activity's determination not to make a small business set-aside on a proposed procurement, or in any case where the Central Office reviewing officials or the Regional Director, Business Service Center develops information which indicates that a small business set-aside should be made on a scheduled procurement action, he will promptly so notify the contracting officer.

(d) If there is disagreement between a Central Office reviewing official or the Regional Director, Business Service Center and the contracting officer concerning the initiation of a small business set-aside, the disagreement shall be referred to the head of the procuring activity, as defined in § 5.4-1.206. In the event the disagreement is not resolved, the following referrals shall be made by the Central Office reviewing official or the Regional Director, Business Service Centers:

- In the case of regional procurement actions, to the Regional Administrator for decision; and
- (2) In the case of Central Office procurement actions, to the appropriate Commissioner for decision.

(e) Under no circumstances will procurement actions be initiated until small business set-aside disagreements have been formally resolved by the appropriate officials in accordance with the requirements of this § 5A-1.706-51.

12. Section 5A-1.708 is amended as follows:

§ 5A-1.708 Certificate of competency program.

(c) If it is the decision of the contracting officer that substantial doubt remains as to the firm's responsibility, every effort shall be made to resolve these differences between the SBA regional office and the contracting officer. However, if agreement cannot be reached, the contracting officer shall forward a written request to the SBA regional office to suspend action for the reasons stated, and to refer the case to the SBA Central Office, Washington, DC., for review. Concurrently, copies of the request and any other pertinent documents or information shall be furnished to the cognizant Assistant Commissioner and to the office that reported the lack of capacity or credit; i.e., the Assistant Commissioner for Standards and Quality Control and/ or the Director of Finance. Timely submission of these copies is essential for the proper handling of any communications between higher authority levels of SBA and GSA that may ensue from referral of the case to the SBA Central Office

(d) If notification is received that SBA Central Office has declined to issue a COC, the contracting officer shall proceed with procurement. If, however, the SBA Central Office advises the contracting officer and/or higher authority in GSA that it proposes to take affirmative action (i.e., issue a COC) and the contracting officer determines there are sufficient grounds for contesting this action, he shall prepare a letter to the Commissioner from the cognizant Assistant Commissioner detailing all pertinent information to support an appeal action to SBA. The letter shall provide for concurrences through channels, including LP, FM, and/or BC. The SBA time limits for appeal action are as follows: within 10 working days after receipt of notification in writing of the reasons for SBA's proposed affirmative action, the procuring agency must notify the SBA Central Office if a formal appeal will be made at the Central Office level. The appeal then must be presented within 10 working days after the SBA Central Office is notified that an appeal will be made. Following the appeal, the determination relative to the certificate of competency action will be made by the SBA Associate Administrator and that determination will be considered final.

13. Section 5A-1.710 is added as follows:

§ 5A-1.710 Subcontracting with small business concerns.

GSA Form 1790, Subcontracting Programs (illustrated in § 5A-16.950-1790), may be incorporated in contracts which

include the small business subcontracting program as a contract requirement. [Sec. 205(c), 63 Stat. 390; (40 U.S.C. 486(c))]

Effective date. These regulations are effective on the date shown below.

Dated: November 14, 1974.

M. J. Timbers, Commissioner, Federal Supply Service.

[FR Doc.74-28395 Filed 12-4-74;8:45 am]

Title 43—Public Lands: Interior CHAPTER II—BUREAU OF LAND MANAGEMENT

APPENDIX—PUBLIC LAND ORDERS [Public Land Order 5450]

#### ALASKA

Amendment of Public Land Orders Nos. 5170 and 5180

By virtue of the authority vested in the Secretary of the Interior by sections 11(a)(3) and 17(d)(1), of the Alaska Native Claims Settlement Act of December 18, 1971 (hereinafter referred to as the Act), 43 U.S.C. 1610 (a)(3), 1616(d)(1), and pursuant to Executive Order No. 10355 of May 26, 1952 (17 FR 4831), it is ordered as follows:

1. Public Land Order No. 5170 of March 9, 1972, as amended by Public Land Order No. 5395 of September 14, 1973, withdrawing lands for selection under section 12 of the Act by the Village Corporations and Regional Corporation for the approximate area covered by the operations of the Bering Straits Association, is hereby amended to delete from subparagraphs d and e of paragraph 1 of said order the following described lands:

KATEEL RIVER MERIDIAN PROTRACTED DESCRIPTIONS

T. 22 S., R. 13 W. T. 23 S., Rs. 13, 14 W. (Practional)

T. 24 S., R. 14 W. T. 25 S., Rs. 14, 15 W.

T. 26 S., Rs. 15, 16 W. T. 5 S., Rs. 38, 39 W.

T. 5 S., R. 40 W. (Fractional)

The areas described aggregate approximately 189,400 acres.

2. Public Land Order No. 5180 of March 9, 1972, as amended, which withdrew lands under section 17(d) (1) of the Act to determine the proper classification of said lands, and to ascertain the public values in the lands which need protection, is hereby further amended to add the lands described in paragraph 1 of this order. Said lands hereby become subject to all of the terms and conditions of Public Land Order No. 5180 and its amendments.

3. Public Land Order No. 5170, as amended, is hereby further amended to add to subparagraphs d and e of paragraph 1 of said order, the following desorthed lands:

KATEEL RIVER MERIDIAN PROTRACTED DESCRIPTIONS

d. Stebbins T. 26 S., Rs. 17, 18, 19 W.

T. 27 S., Rs. 17 and 18 W.
Aggregating approximately 114,000 acres.

e. King Island

T. 11 S., R. 38 W. (N½) (Fractional) T. 7 S., R. 39 W. (Fractional) T. 6 S., R. 40 W. (Fractional) Aggregating approximately 4,503 acres.

4. Any of the lands withdrawn in paragraph 3 of this order that are listed in Public Land Order No. 5180, as amended, are hereby deleted from that order.

The purpose of this order is to alter the lands withdrawn for selection by the Village Corporation for the villages of Stebbins and King Island.

JACK O. HORTON, Assistant Secretary of the Interior. November 26, 1974.

[FR Doc.74-28373 Filed 12-4-74;8:45 am]

Title 47—Telecommunications
CHAPTER I—FEDERAL
COMMUNICATIONS COMMISSION

[Docket No. 20135; RM-2340; FCC 74-1263]
PART 73—RADIO BROADCAST SERVICES

Table of Assignments, Television Broadcast Stations

1. The Commission has under consideration its notice of proposed rule making adopted August 9, 1974, 39 FR 30050, inviting comments on a proposal to assign reserved educational television channels to nine communities in the State of Georgia. This proceeding was instituted on the basis of a petition filed by the Georgia State Board of Education (GSBE), licensee of Stations WCLP-TV, Chatsworth, Georgia; WACS-TV, Dawson, Georgia; WABW-TV, Pelham, Georgia; WCES-TV, Wrens, Georgia; WXGA-TV, Waycross, Georgia; WVAN-TV, Savannah, Georgia; WJSP-TV, Columbus, Georgia; and WDOC-TV, Cochran, Georgia. There were no direct oppositions to the proposal However, the University of North Carolina in its reply comments alerted the Commission to the fact that it also has plans for further development and enlargement of the noncommercial educational television system within the State of North Carolina. Although the University of North Carolina does not oppose the GSBE proposal for additional reserved assignments, it does express concern for the possible impact of the GSBE proposals on its plans for additional assignments in the western part of the State. GSBE, the government agency charged by law with the overall responsibility for the Georgia educational system, in its comments again stressed the need for the assignments and restated its intention to construct and operate stations on the channels if assigned.

2. The specific GSBE proposal is set out in the notice and will not be repeated herein. As we stated in the notice, each of the proposed assignments were found to satisfy the technical requirements of the Rules insofar as the standards of allocation are concerned. Further, the GSBE computer program selected channels having the least adverse preclusionary effect in deriving its proposed assignment plan. However, this does not mean that there is no impact whatsoever from the GSBE proposal. In consideration of

As defined in new § 215.5(f), dedicated service means the exclusive assignment of railroad freight cars to the transportation of freight between specified points under certain conditions. The cars may only occasionally operate over track that is part of the general railroad system of transportation for distances of not more than 30 miles at speeds of not more than 15 mph. The cars may not be freely interchanged and must bear legible markings to indicate that they are in dedicated service. These cars must be examined by a qualified person and found safe to operate in dedicated service. In addition, FRA must be notified concerning the use of cars in dedicated service.

PRA believes that this more detailed definition of dedicated service will alleviate uncertainty as to the scope of § 215-3(c) (2). Furthermore, the prohibition against the general interchange of these cars and the marking requirements will provide the necessary controls to preclude the inadvertent operation of these cars in other than dedicated service. FRA also believes that substitution of the new notification requirement for the present approval requirement will better serve the needs of the FRA and the regilroads.

This amendment is issued under the authority of section 202, 84 Stat. 971, 45 USC 431; and § 1.49(n) of the regulations of the Secretary of Transportation,

49 CFR 1.49(n).

In consideration of the foregoing, the petitions for reconsideration are granted and Part 215 of Title 49 of the Code of Federal Regulations is amended as set forth below. As these amendments are clarifying in nature and impose no additional burden on any person, they shall become effective December 5, 1974.

Issued in Washington, D.C. on November 29, 1974.

Asaph H. Hall, Acting Administrator.

1. Section 215.3(c) is revised to read as follows:

§ 215.3 Application.

(e) This part does not apply to railroad freight cars which are operated— (1) Solely on track inside an installation which is not part of the general

railroad system of transportation; or (2) Exclusively in dedicated service as

defined in § 215.5(f).

2. Section 215.5 is amended by adding a new paragraph (f) as follows:

§ 215.5 Definitions.

(f) "Dedicated Service" means exclusive assignment to the transportation of freight between specified points under the following conditions:

(1) The cars are operated primarily on track which is inside an installation that is not part of the general railroad system of transportation and occasionally over track that is part of the general railroad system of transportation; (2) The cars are not operated at speeds in excess of 15 miles per hour and the distance the cars travel does not exceed 30 miles while operating over track that is part of the general railroad system;

(3) The cars are not freely interchanged for movement in the general railroad system of transportation:

(4) The cars are stendled or otherwise display in clearly legible letters the words "Dedicated Service" on each side of the car body;

(5) The cars have been examined by a qualified person and found safe to op-

erate in this service; and

(6) The FRA must be notified in writing that these cars are to be operated in dedicated service. The notice must identify the railroads affected, the number and type of cars involved, and commodities being earried, and the territorial and speed limits within which these cars are operated. This notice must be filed at least thirty days before the cars commence to operate in dedicated service.

[FR Doc.74-28473 Filed 12-4-74; 8:45 am]

CHAPTER V—NATIONAL HIGHWAY TRAF-FIC SAFETY ADMINISTRATION; DE-PARTMENT OF TRANSPORTATION

[Docket No. 74-3; Notice 2]
PART 571—FEDERAL MOTOR VEHICLE

SAFETY STANDARDS

New Pneumatic Tires—Six Position Test Wheels; Correction

In FR Doc. 74-20630, appearing at page 32321 in the issue of September 6, 1974, the reference in the authority line to section "210" (of Pub. L. 89-563) should read "201".

(Secs. 103, 108, 119, 201 and 302, Pub. L. 89-563, 80 Stat. 716; (15 U.S.C. 1392, 1397, 1407, 1421, 1422); delegation of authority at 49 CFR 1.51)

Issued on November 27, 1974.

James B. Gregory, Administrator,

[FR Doc.74-28348 Filed 12-4-74;8:45 am]

[Docket No. 1-8; Notice 17]

PART 571—FEDERAL MOTOR VEHICLE SAFETY STANDARDS

Retreaded Pneumatic Tires; Permanent Labeling Requirements; Correction

In FR Doc. 74-26462, appearing at page 39862 in the issue of November 12, 1974, the words of issuance appearing on page 39864 should read:

1. In § 571.117, paragraph S5.3.2 is amended, S5.2.4 is deleted, and S6.3.2 is amended as follows:

(Secs. 103, 112, 113, 114, 119, 201; Pub. L. 89-563; 80 Stat. 718 (15 U.S.C. 1892, 1401, 1402, 1403, 1407, 1421); delegation of authority at 49 CFR 1.51)

Issued on November 27, 1974.

James B. Gregory,
Administrator.

[FR Doc.74-28347 Filed 12-4-74;8:45 am]

CHAPTER X—INTERSTATE COMMERCE COMMISSION

SUBCHAPTER A GENERAL RULES AND REGULATIONS [S. O. 1208]

PART 1033-CAR SERVICE

Penn Central Transportation Co. and the Philadelphia Belt Line Railroad Co.

At a Session of the Interstate Commerce Commission, Raifroad Service Board, held in Washington, D.C., on the 27th day of November, 1974.

It appearing, that there is an emergency movement of coal from a stockpile located in the vicinity of Castor and Delaware Avenues, Philadelphia, Pennsylvania, adjacent to a line of the Penn Central Transportation Company, Robert W. Blanchette, Richard C. Bond, and John H. McArthur, Trustees (PC) and an electric utility generating station located at Eddystone, Philadelphia, Pennsylvania; that there are no existing routes applicable for movement of this traffic; that the PC and the Reading Company, Andrew L. Lewis, Jr., and Joseph L. Castle, Trustees (Rdg) have agreed to establish a joint route for the handling of this coal; that such joint route will require operation by the PC over a track owned by The Philadelphia Belt Line Railroad Company (PBL) extending northward for a total distance of 5400 feet from a point of connection between their companies located approximately 500 feet north of Orthodox Street, Philadelphia; that the PBL has consented to use of its tracks by the PC for movement of this traffic: that such use of the aforementioned tracks of the PBL by the PC is necessary in the interest of the public and the commerce of the people; that notice and public procedure herein are impracticable and contrary to the public interest; and that good cause exists for making this order effective upon less than thirty days notice.

It is ordered, That:

§ 1033.1203 Service Order No. 1203.

(a) Penn Central Transportation Company, Robert W. Blanchette, Richard C. Bond, and John H. McArthur, Trustees, Authorized To Operate Over Tracks Of The Philadelphia Belt Line Railroad Company. The Penn Central Transportation Company, Robert W. Blanchette, Richard C. Bond, and John H. McArthur. Trustees, (PC) be, and it is hereby, authorized to operate over tracks of Philadelphia Belt Line Railroad Company (PBL) from a point of connection between these companies located approximately 500 feet north of Orthodox Street, Philadelphia, northward for a distance of 5,400 feet.

(b) Application. The provisions of this order shall apply to intrastate, interstate, and foreign traffic.

(c) Rates applicable. Inasmuch as the operations by the PC over tracks of the PBL is deemed to be due to the PC's disability, the rates applicable to traffic moved by the PC over the tracks of the

PBL shall be the rates which were applicable on the shipments at the time of shipment as originally routed.

(d) Effective date. This order shall become effective at 12:01 a.m., November 29, 1974.

(e) Expiration date. The provisions of this order shall expire at 11:59 p.m., March 31, 1975, unless otherwise modified, changed, or suspended by order of this Commission.

Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15, and 17 (2). Interprets or applies Secs. 1(10-17), 15(4), and 17(2), 42 Stat. 101, as amended, 64 Stat. 911; 49 U.S.C. 1(10-17), 15(4), and 17(2))

It is further ordered, That copies of this order shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and car hire agreement under the terms of that agreement and upon the American Short Line Railroad Association; and that notice of this order shall be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by flight it with the Director, Office of the Federal Register.

By the Commission, Railroad Service Board.

[SEAT.]

ROBERT L. OSWALD, Secretary.

[FR Doc.74-28468 Filed 12-4-74;8:45 am]

#### Title 10-Energy

#### CHAPTER II—FEDERAL ENERGY ADMINISTRATION

PART 212—MANDATORY PETROLEUM PRICE REGULATIONS

Changes in the Price Regulations

On September 6, 1974, the Federal Energy Administration issued a notice proposing a number of significant changes in the Mandatory Petroleum Price Regulations (39 FR 32718, September 10, 1974). Comments were invited from interested persons by September 27, 1974, and more than 80 comments were received. A public hearing on the proposal was held September 30 and October 1, 1974, at which approximately 20 interested persons presented statements. The FEA has considered carefully all comments and statements submitted in this proceeding and, on November 1, 1974, the FEA acted with respect to certain of the possible changes in the price regulations proposed in the September 10, 1974, Notice, and deferred action on other possible changes pending further study and analysis.

The FEA has now concluded its analysis of the comments and statements submitted with respect to the proposal to revise the regulations on the pass through of non-product cost increases by refiners, and those regulations are being amended, effective December 1, 1974.

Action on all other revisions to the price regulations proposed in the September 10 notice is deferred until a later date. However, those possible revisions which have not been acted on continue to be under active consideration by FEA for decision in this proceeding.

The principal changes in the regulations that are made by this amendment are: (1) deletion of the prenotification procedure for price increases to reflect increased nonproduct costs, (2) adoption of more specific definitions of the categories of non-product cost increases which may be used to justify increased prices, and (3) treatment of crude oil used as refinery fuel as a nonproduct cost, on a prospective basis.

I. Deletion of Prenotification Procedures. This amendment deletes the definition of prenotification, as it appears in § 212.31, the prenotification requirements as set forth in § 212.82, and the prenotification provisions of §§ 212.121, et seq. Under the former prenotification regulations, a refiner could pass through increased non-product costs, on a dollar-for-dollar basis, only after it had prenotified the FEA of its proposed price increase and waited 30 days.

The requirement that refiners prenotify price increases based on increased non-product costs was derived from Cost of Living Council regulations. which were designed to apply to all sectors of the economy. A primary purpose of the requirement was to cause a 30-day lag between the time cost increases were incurred and price increases were implemented. Pursuant to the new FEA regulations on increased non-product cost pass through, a refiner will calculate increased non-product cost for the "month of measurement," and these cost increases may only be reflected in prices during the following month, the "current month." Thus, the revised FEA regulations on the pass-through of increased nonproduct costs include a 30-day lag in recovering those costs, just as the regulations currently require for the passthrough of increased product costs.

Another purpose of the prenotification requirement was to afford the CLC, and subsequently the FEA, the opportunity to review the data submitted to demonstrate the increased costs and to disallow any price increases that were deemed excessive. On the basis of its experience in administering this requirement for nearly one year, however, FEA has concluded that determination of which, if any, non-product costs should be disallowed is administratively impracticable, on the basis of the data required to be submitted under the current procedure, and that a more effective approach would be to limit to clearly defined categories the types of non-product cost increases which may be used as justification for price increases while at the same time allowing for the automatic pass through of those increases on a dollarfor-dollar basis.

There are also three administrative reasons for eliminating the prenotification provisions. First, the new method will allow product and non-product costs to be calculated using the same "dollar amount" method (f calculation Second product and non-product costs will be reported to FEA on the same monthly form. Third, the burdensome and time-consuming task of reviewing the prenotification submissions will be eliminated. Comments received in this proceeding were virtually unanimous in supporting the deletion of the prenotification provisions.

Beginning with the month of January, 1975, when the month of December, 1974 will be the "month of measurement" for determining increased non-product costs under the regulations adopted today, prenotification approvals which were granted under the former regulations will no longer be effective, and any price increases to reflect increased non-product costs will have to be calculated by refiners under the new non-product cost regulations.

II. Definition of Non-Product Costs. Sections 212.82 and 212.83 are revised and a new § 212.87 is added, to define the categories of increased non-product costs which a refiner may pass through as price increases. These categories are: refinery fuel cost, refinery labor cost, additive cost, certain marketing costs, and specified "other costs," which include cost of utilities, cost of pollution control equipment, cost of containers, and interest expense. There are three reasons for restricting to defined categories the increased non-product costs which may be passed through as price increases. First, it provides for more precise and efficient monitoring of non-product cost increases by the FEA. Second, the FEA will be able to gather more complete and valuable data regarding non-product costs than is now possible. Third, since other miscellaneous kinds of non-product costs are difficult to define, possible errors and over-recoupment of costs will be minimized

For refiners which have disproportionally high non-product cost increases which do not fall into one of the categories defined by FEA, the pass-through of such increased costs will be considered by the FEA on a case-by-case basis through the exceptions process. Furthermore, the FEA will consider amending \$212.87 to include additional categories of non-product costs, if it is demonstrated that significant non-product costs for large numbers of refiners have been omitted.

III. Refinery Fuel Cost. It was unclear under the former regulations whether the increased cost of crude oil consumed as refinery fuel was to be considered as an increased product cost, or as an increased non-product cost. This amendment makes it clear that crude oil used as refinery fuel should be treated as \$ non-product cost. A related Ruling is being issued, to make clear that covered products, other than crude oil, which are consumed as refinery fuel also constitute non-product costs. To the extent such covered products consumed as refinery fuel are produced by a refiner from crude oil for which increased product cost has been calculated, the covered products

consumed as refinery fuel must be accounted for so as to bear proportionate share of increased product costs. The amendment and Ruling as to the proper treatment of refinery fuel costs are prospective only. Thus, prior to December 1, 1974, refiners may treat the cost of crude oil used as refinery fuel as a product cost, but beginning December 1, 1974, such crude oil cost must be treated as a nonproduct cost. Accordingly, under the new regulations, if a refiner increases its prices above base price to reflect increased cost of crude oil used as refinery fuel, it will be subject to the profit margin limitation on the passthrough of increased non-product costs.

(Emergency Petroleum Allocation Act of 1973, Pub. L. 93-159; Federal Energy Administration Act of 1974, Pub. L. 93-275; E.O. 11790, 39 FR 29185)

In consideration of the foregoing, Part 212 of Chapter II, Title 10 Code of Federal Regulations, is amended as set forth below. effective December 1, 1974.

Issued in Washington, D.C., November 29, 1974.

ROBERT E. MONTSOMERY, Jr., General Counsel, Federal Energy Administration,

#### § 212.31 [Amended]

 Section 212.31 is amended to delete the definitions of "Nonprofit organization," "Petrochemical feedstock," "Prenotification," "Price adjustment," "Product line," and "Service Line."

Section 212.51 is revised to read as follows:

#### \$ 212.51 General.

Prices charged with regard to the items and sales described in this sub-part are exempt from the price rules prescribed in this park. However, revenues received from exempt sales of covered products are included in a firm's annual sales or revenues, as defined in a 1212.31, for the purpose of computing profit markin.

3. Section 212.82 is revised to read as follows:

#### § 212.82 Price rule.

(a) Rule. A refiner may not charge to any class of purchaser a price for a covered product in excess of the base price of that covered product except to the extent permitted pursuant to the provisions of paragraphs (c) and (d) of this section.

ch) Base price. (1) Definition. The base price for sales of an item by a refiner is the weighted average price at which the item was lawfully priced in transactions with the class of purchaser concerned on May 15, 1973, plus increased product costs incurred between the month of measurement and the month of May 1973 and measured pursuant to the previsions of § 212.83. In computing the base price, a firm may not exclude any temporary special sale, deal or allowance in effect on May 15, 1973.

 Benzene and toluene. Notwithstanding the provisions of subparagraph
 of this paragraph, the base price for sales of benzene and toluene by a refiner is the weighted average price at which such an item was lawfully priced in transactions with the class of purchaser concerned on May 15, 1973, plus linereased product costs incurred between the month of measurement and the month of May 1973, and measured pursuant to the provisions of \$212.83, plus a maximum of \$.337 per gallon for benzene, and \$2.88 per gallon for toluene.

(3) Naphtha-base aviation fuel. For purposes of computing the base price of naphtha-base aviation fuel pursuant to this paragraph, naphtha-base aviation fuel and kerosene-base aviation fuel shall be treated as a single item.

(4) Imputed prices. If no transaction occurred with respect to a particular product on May 15, 1973, the most recent day preceding May 15, 1973 when a transaction occurred shall be used for purposes of computing the base price. If a refiner first offered an Item for sale after May 15, 1973 and prior to the effective date of this paragraph, the first day when the item was offered for sale shall be used for purposes of computing the base price.

(c) Allowable price in excess of the base price. A refiner may only charge a price in excess of the base price of a covered product in order to recover on a dollar-for-dollar basis increased non-product costs incurred between the month of May 1973 and measured pursuant to the provisions of § 212.87. To compute an allowable price in excess of the base price, a refiner shall apply the increased non-product costs, measured pursuant to the provisions of § 212.87 to the base price as a provided in § 212.87.

(d) Profit margin limitation. A refiner which charges a price for any item in excess of the base price for that item in any fiscal year may not for the fiscal year in which the price in excess of the base price is charged, exceed its base porriod profit margin, as defined in \$21231.

(e) Certification. Each refiner of gasoline must, with respect to each sale of gasoline other than a retail sale, certify in writing to the purchaser the octane number, as defined in § 212.31, of the gasoline sold.

4. Section 212.83 is revised to read as follows:

§ 212.83 Allocation of refiner's increased costs.

(a) Scope. Except as provided in Subpart F, this section prescribes the requirements governing the inclusion of a refiner's increased product costs in the computation of its base price pursuant to § 212.82(b) and the inclusion of increased non-product costs in the computation of an allowable price in excess of the base price pursuant to § 212.82(c), for covered products.

(b) Definitions. For purposes of this section.—"Cost of crude petroleum" means (1) For purposes of domestic crude petroleum, (a) in arm's-length transactions, the purchase price provided that with respect to sales of crude petroleum.

leum subject to Part 212, it conforms with the requirements of that Part; (b) in a transaction between affiliated entitles, the posted price for new crude petroleum, released crude petroleum, petroleum produced from a stripper well lease the first sale of which is exempt pursuant to § 212.54, and for old crude petroleum. If there is no posted price in a particular field, the related price for that grade of new domestic crude petroleum, released crude petroleum, petroleum produced from a stripper well lease, and old crude petroleum which is most similar in kind and quality at the nearest field for which the price is posted. Cost of crude petroleum also includes the cost of unfinished oils and natural gas liquids which are used in refining and are further refined, and which are covered products. The cost of domestic crude petroleum, unfinished oils and natural gas liquids includes transportation costs. (2) For purposes of imported crude petroleum, the landed cost.

"Cost of petroleum product" means (1)
For purposes of domestic petroleum
products other than crude petroleum, the
purchase price including transportation
costs. (2) For purposes of imported petroleum products other than crude petroleum, the landed cost.

"Firm" means a parent and the consolidated and unconsolidated entities (if any) which it directly or indirectly controls.

"Increased non-product costs" means non-product cost increases measured pursuant to the provisions of § 212.87.

"Increased product costs" means the sum of (1) the difference between the total cost of crude petroleum during the month of measurement and the total cost of crude petroleum during the month of May, 1973 plus (2) the difference between the total cost of petroleum product during the month of measurement and the total cost of petroleum product during the month of May, 1973. If a particular petroleum product was neither purchased nor landed during the month of May 1973, the cost of that petroleum product in May 1973 shall be imputed to be the lowest price at or above which at least 10% of that product was priced by the refiner in transactions during the month of May 1973.

"Landed cost" means:
(1) For purposes of covered products
purchased in complete arm's-length
transactions, the purchase price at the
point of origin plus the actual trans-

portation cost.

(2) For purposes of covered products purchased in arm's-length transactions and shipped pursuant to a transaction between affiliated entities, the purchase price at the point of origin plus the transportation cost computed by use of the accounting procedures generally accepted and consistently and historically applied by the firm concerned.

(3) For purposes of covered products other than crude oil purchased in a transaction between affiliated entitles and shipped pursuant to an arm's-length transaction, the cost of the product computed by use of the customary accounting procedures generally accepted and consistently and historically applied by the firm concerned plus the actual trans-

portation cost.

(4) For purposes of covered products other than crude oil purchased and shipped pursuant to a transaction between affiliated entities, the costs of the product and the transportation both computed by use of the customary accounting procedures generally accepted and consistently and historically applied by the firm concerned.

(5) For purposes of crude oil purchased in a transaction between affiliated entities and shipped pursuant to an arm's-length transaction, the cost of the crude oil computed pursuant to § 212.84 plus the actual transportation cost.

(6) For purposes of crude oil purchased and shipped pursuant to a transaction between affiliated entities, the cost of the crude oil computed pursuant to § 212.84 plus the cost of transportation computed by use of the customary accounting procedures generally accepted and consistently and historically applied by the firm concerned.

"Transactions between affiliated entities" means all transactions between entitles which are part of the same firm and transactions with entities in which the firm has a beneficial interest to the extent of entitlement of covered product by reason of the beneficial interest.

(c) Allocation of increased product costs-(1) General rule-(1) Special products. In computing base prices for sales of a special product, a refiner may increase its May 15, 1973 selling prices to each class of purchaser once each calendar month beginning with November 1973 by an amount to reflect the increased product costs attributable to sales of that special product using the differential between the month of measurement and the month of May, 1973 provided that the amount of increased costs used in computing a base price is calculated by use of the general formula set forth in paragraph (c) (2) (i) of this section. To the extent that a refiner does not allocate its increased product cost for a special product pursuant to this provision, it may include that part of its increased product costs attributable to sales of that special product in computing its base prices for covered products other than special products pursuant to paragraph (c) (1) (ii) of this section.

(ii) Other than special products. In computing base prices for a covered product other than a special product, a refiner may increase its May 15, 1973 selling price to each class of purchaser each month beginning with November 1973 by an amount to reflect the increased product costs attributable to sales of covered products other than special products or sales of special products not otherwise allocated pursuant to paragraph (c) (1) (1) of this section using the differential between the month of measurement and the month of May, 1973, provided that the amount of increased costs used in computing a base price is calculated by use of the general formula set forth in paragraph (c) (2) (ii) of this section and

provided that the amount of increased product costs included in computing base prices of a particular covered product other than a special product must be equally applied to each class of pur-chaser. In apportioning any amount of increased product costs to covered products other than special products, a refiner may apportion the total amount of increased product costs to a particular covered product other than a special product in whatever amount it deems appropriate.

(iii) Special propane rule. Notwithstanding the provisions of § 212.83(c) (1) (ii) and § 212.83(e), a refiner in computing base prices for propane for the seven month period of August 1, 1974,

through February 28, 1975:

(A) May not apportion to propane a greater percentage of increased cost of crude petroleum purchased or landed in the seven month period of July 1, 1974, through January 31, 1975, than the percentage that the volume of propane produced by the refiner from crude petroleum and sold during the seven month period of August 1, 1974, through February 28, 1975, is to the total volume of all products produced by it from crude petroleum (including other than covered products) and sold by it during the same seven month period:

(B) May apportion to propane a percentage of the increased cost of natural gas liquids purchased or landed in the seven month period of July 1, 1974, through January 31, 1975, which is not more than the percentage that the volume of propane recoverable from such natural gas liquids is to the total volume of such natural gas liquids, and may apportion to propane the increased cost of propane purchased or landed in the seven month period of July 1, 1974, through January 31, 1975. Notwithstanding the provisions of § 212.83(f), no increased cost of natural gas liquids or propane may be calculated with respect to domestic natural gas liquids and propane which are obtained from affiliated entities. Notwithstanding the provisions of § 212.83(b), for purposes of this special propane rule, cost of crude petroleum shall not include the cost of unfinished oils or natural gas liquids; and

(C) May not apportion to propane any increased product costs incurred prior to July 1, 1974, and not recovered through July 31, 1974.

(iv) Special gasoline rule. Notwithstanding the provisions of this section, a refiner, in computing base prices for gasoline (i=2) may include in those prices (A) that portion of the increased product costs attributable to all covered products other than special products and crude petroleum (i=3) which is not used in computing base prices for covered products other than special products and crude petroleum (i=3), plus (B) that portion of the unrecouped increased product costs carried forward pursuant to paragraph (e) of this section which is attributable to all covered products other than special products and crude petroleum (i=3) and which is not used in computing base prices for covered

products other than special products and crude petroleum (i=3). Refiners that include increased product costs in the base price of gasoline pursuant to this paragraph (c) (1) (iv) shall reflect that fact by an increase in the "Ha" factor (for increased product costs in the period "t") or in the "Grt" factor unrecouped increased product costs), as appropriate.

(2) General formulae. (1) For special

products (i=1 and i=2):

$$d_{i^{u}} = \frac{A^{i}\left(\frac{V_{i^{u}}}{V^{u}}\right) + B_{i^{t}} + G_{i^{t}} \pm H_{i^{u}}}{V_{i^{u}}}$$

(ii) For covered products other than special products (i=3):

$$D_i{}^{\mathfrak u} \!=\! A^i \! \left( \! \frac{V_i{}^{\mathfrak u}}{V^{\mathfrak u}} \! \right) \! + \! B_i{}^i \! + \! G_i{}^i \pm H^{\mathfrak u}$$

Where; for (i) and (ii):

di\*=The dollar increase that may be applied in the period "u" (the current month) to the May 15, 1973, selling price of the special product or products of the type "i" to each class of the type "i" to each class of the type "i" to be a price of the special products. purchaser to compute the base price to each class of purchaser, except that the dollar increase that may be applied in the period "u" to the May 15, 1973, selling price of gasoline to compute the base prices to the classes of purchaser which purchase gasoline at retail from a refiner at service stations operated by em-ployees of the refiner may be "de" plus a maximum of \$.03 per gallon of gasoline provided that, in computing "die" the numerator of the formula in clause (i) of this sub-paragraph is reduced by an amount equal to the product of the actual amount of cents per gallon increase added to "d." above multiplied by the estimated number of gallons of gasoline to be sold during the period "u" at retail through service stations operated by employees of the refiner. The formula for special products must be computed separately for t=1 (No. 2 heating oil and No. 2-D diesel fuel) and for f=2 (gasoline).

Di"=The total dollar amount a refiner may apportion in the period "u" (the current month) to covered products of the type "i" in whatever amounts it deems appropriate to each particular covered product other than a special product, provided that the total dollar amount is reduced by an amount equal to the total number of gallons of benzene and toluene sold by the refiner during the month of May 1973 multiplied by \$.20 and further multiplied by an amount equal to the total number of barrels of refinery input to crude oil distillation units processed during the month of measurement and measurement ured in accordance with Bureau of Mines form 6-1300-M divided by the total number of such barrels provessed during the month of May 1973. The formula for covered products other than special products will only be computed for 1=3 (all covered products other than a special product

and crude petroleum) V\*= The total volume of all covered products (other than propane, which may be included only to the extent that it was refined by the refiner from orude petroleum) and all products refined from crude petroleum other than covered products sold in the period "n" the consecutive three month period of the preceding year such that the middle month of the period corresponds to the current month "u").

Vi\*=The total volume of a specific covered product or products of the type "i" (other than propane, which may be included only to the extent that it was refined by the refiner from crude petroleum) sold in the period "n" (the consecutive three month period of the preceding year such that the middle month of the period corre-

sponds to the current month "u").

V'"=The volume or quantity of a product or products of the type "" estimated to be sold in the period "u" (the current month).

$$A^{i} = Q^{i} \left( \frac{C^{i}}{Q^{i}} - \frac{C^{o}}{Q^{o}} \right)$$

Which is the total increased cost of crude petroleum purchased or landed in the period "t" (the month of measurement) for refining by that refiner. The cost and quantity of crude petroleum which is consumed as refinery fuel or which is otherwise consumed or disposed of in the period "t" (the month of measurement), so as not to be available for that refiner's input to crude oil distillation units shall be excluded from this amount (except to the extent permitted with respect to crude petroleum sold under § 211.65 pursuant to the definitions of  $Q^i$  and  $C^i$ ). Refiners shall maintain records of the volume and cost of crude petroleum which is consumed as refinery fuel or otherwise consumed or disposed of so as not to be available for that refiner's input to crude oil distillation units.

Where:

Q'=The total quantity or volume of crude petroleum purchased or landed in the period "t" (the month of measurement) for refining or for resale under 1211.65, provided, however, that this amount shall be reduced by the quantity of crude petroleum soid under 1211.65 in the period "t" (the month of measurement).

Q\*=The total quantity or volume of crude petroleum purchased or landed in the period "o" (the month of May 1973) for refining.

C°=The total cost of crude petroleum purchased or landed in the period "o" (the month of May 1973) for refining.

O'=The total cost of crude petroleum purchased or landed in the period "to" (the month of measurement), for refining or for resale under \$211.65 provided, however, that this amount shall be reduced by the revenues from sales of crude petroleum under \$211.65 made in the period "to" (the month of measurement), except for any transportation adjustment or the handling fee provided for by \$212.94(b).

Which is the total increased cost of a specific covered product or products of the type "f" purchased or landed in the period "t" (the month of measurement). The cost and quantity of covered products purchased or landed which are consumed as refinery fuel shall be excluded

from this amount. Refiners shall maintain records of the volume and cost of covered products purchased or landed which are consumed as refinery fuel.

Where

et\*=The total cost of a covered product or products of the type "i" purchased in the period "o" (the month of May 1973). For imported products, the cost of products of the type "i' anded in the period "o" (the month of May 1973).

o. "=The total coet of a covered product or products of the type "i" purchased in the period "b" (the month of measurement). For imported products, the cost of products of the type "i" landed in the period "t" (the

month of measurement).

qs\*=The total quantity or volume of a covered product or products of the type "" purchased is the period "o" (the month of May 1978). For imported products of the type "4", the total quantity or volume landed in the period "o" (the month of May 1978).

q:"=The total quantity or volume of a overed product or products of the type "f" purchased in the period "f" the month of measurement). For imported products of the type "f", the total quantity or volume landed in the period "f" (the month of

measurement).

""" The lowest price at or above which at least 10% of the product or products of type "!" were priced in transactions during the month of May 1973 or, if none occurred in that month, the month next preceding May 1973 in which such transactions occurred.

Alternatively, the cost of the product or products concerned during the month of May 1973 may be used if computed by use of accounting procedures generally accepted and consistently and historically applied by the firm concerned and provided that the FEA has approved in writing of the cost figures used.

$$Gi^t = Ji^t - Ki^t + Li^t$$

Which is either: (i) the total dollar amount of increased costs of the product or products of the type "i" to the period "t" (the month of measurement) not recovered in sales of that product through the period "t", that have been carried forward pursuant to paragraph (e) of this section; or (ii) the total dollar amount by which increased costs of the product or products of the type "to the period "t" (the month of measurement) have been overrecovered in sales of that product through the period "t", that must be subtracted pursuant to paragraph (e) of this section.

Where:

J. = The total dollar amount of increased product costs attributable to the product type "f" from August 1, 1973 to the period "f" (the month of measurement).

K<sub>1</sub>'=The total dollar amount of increased product cost attributable to the product type "" and recovered by sales through the period "f" (the month of measurement) by adjusting the May 15, 1973 selling prices pursuant to the provisions of this subpart. Li'=The total dollar amount of nonproduct costs attributable to includable amounts of commissions in-curred during the period "t" (the month of measurement) beginning with June 1974 with respect to sales through consignee-agents of the product or products of the type "4". The includable amount of commission incurred with respect to each item sold through each consignee agent is the dollar amount per unit of volume by which the commission in the period "t" (the month of measurement) exceeds the commission in effect on May 15, 1973, provided that the includable amount shall be an amount reasonably intended to cover increased non-product costs of the consignee-agent, and that it shall not exceed the amount of the non-product cost price increase that would be permitted if the consignee-agent took title to the product it distributes and were a seller subject to § 212.93(b) of this part.

Hi= Where Hi= is negative, the portion of the total dollar amount available in the period "u" (the current month) for inclusion in price adjustments to special products of the type which pursuant to paragraph (c) (1) (ii) of this section the refiner elects to include in prices of covered products other than special products and crude petroleum (i=3) for the period "u" (the (current month); or where  $H_i^*$  is positive (for special product i=2), the portion of the total dollar amount available in the period "u" (the current month) for inclusion in price adjustments to covered products other than special products and crude petroleum (i=3) which pursuant to paragraph (c) (1) (iv) of this section, the refiner elects to include in prices of special product (i=2) for the period "u" (the current month).

H==Where H= is positive, the sum of the dollar amount available in the period "u" (the current month) for inclusion in price adjustments to special products which pursuant to paragraph (c) (1) (ii) of this section the refiner elects to include in calculating the base prices of covered products other than special products and crude petroleum (i=3) for the period "u" (the current month); or, where H" is negative, the portion of the dollar amounts available in the period "u" (the current month) for inclusion in price adjustments to covered products other than special products and crude petroleum (i=3) which pursuant to paragraph (c) (1) (iv) of this section the refiner elects to include in calculating the base prices of special product (i=2) for the period "u" (the current month).

The type of covered product is referenced by the subscript i:

(=1 represents No. 2 heating oil and No. 2-D diesel fuel.

i=2 represents gasoline.

i=3 represents all covered products other than special products and crude petroleum.

The time period for measurement is referenced in the superscript;

where:

n=The consecutive three-month period of the preceding year such that the middle month of the period corresponds to the current month.

o=The month of May 1973.

t=The month of measurement. (The month of measurement is the month preceding the current month.)

u=The current month. Quantities calculated for the current month will be estimates which should be based on the best available data.

(d) Allocation of increased nonproduct costs. In computing allowable prices in excess of base prices for sales of a covered product, a refiner may increase its price above base price to each class of purchaser each month beginning with January 1975 by an amount to reflect the increased non-product costs attributable to sales of covered products in the month of measurement, using the differential between the month of measurement and the month of May, 1973, provided that the total amount of increased non-product costs which can be used in computing allowable prices above base prices is calculated pursuant to \$ 212.87, and provided that the amount of increased non-product costs included in computing allowable prices above base prices of a particular covered product bears the same ratio to the amount of increased product cost included in the base price of that product as the ratio of the total amount of increased nonproduct cost computed under § 212.87 for the month of measurement bears to the total amount of increased product cost available for allocation to base prices in the current month, pursuant to paragraphs (c) and (e) of this section. Refiners shall maintain records of the amount of increased product cost and the amount of increased non-product cost which are allocated to each selling price for each covered product pursuant to this part.

(e) Carryover of costs. (1) If in any month beginning with October 1973, a firm charges prices for a special product which result in the recoupment of less total revenues than the entire amount of increased product costs calculated for that product pursuant to the general formula and allowable under paragraph (c) (1) (f) of this section and that unused amount of increased costs is not used to increase May 15, 1973 selling prices pursuant to paragraph (c) (1) (ii) of this section, the amount of increased product cost not recouped may be added to the May 15, 1973 selling prices to compute the base prices for that special product for a subsequent month. The total amount allowable under paragraph (c) (1) (i) of this section may not include any amount represented by the symbol "H" in the formula in paragraph (c) (2) (i) of this section which pursuant to paragraph (c) (1) (ii) of this section the refiner has elected to include in a prior month in the calculation of the maximum permissible amount which may be used to adjust base prices of covered products other than special products. With respect to each special product, (i=1 and i=2). when a firm calculates the amount of increased product cost not recouped, which may be added to the May 15, 1973 selling prices to compute the base prices

for that special product in a subsequent month, it shall calculate its revenues as though the greatest amount of increased product costs actually added to any May 15, 1973 selling price of that special product and included in the price charged to any class of purchaser, had been added, in the same amount, to the May 15, 1973 selling price of that special uct and included in the price charged to each class of purchaser; except that, where an equal amount of increased product cost is not included in the price charged to a purchaser because of a price term of a written contract covering the sale of such product which was entered into on or before September 1, 1974, that portion of the increased product costs not included in the price charged to such a purchaser need not be included in the calculation of revenues. If in any month beginning with October 1973, a firm charges prices for a special product which result in the recoupment of more total revenues than the entire amount of increased product costs calculated for that product pursuant to the general formula and allowable under paragraph (c) (1) (1) of his section, the amount of excess product costs recouped must be subtracted from the May 15, 1973 selling prices to compute the base prices for that special product for the subsequent month.

(2) If, in any month beginning with October, 1973, a firm charges prices for covered products other than special products which result in the recoupment of more or less total revenues than the entire amount of increased product costs calculated pursuant to the general formula and allowable under paragraph (c) (1) (ii) of this section, the excess revenues recouped must be subtracted from the May 15, 1973 selling prices and the amount of increased product costs not recouped may be added to May 15, 1973 selling prices to compute base prices for covered products other than special products in the subsequent month provided that the amount of the increased product cost not recouped and included in computing the base prices of a particular covered product other than a special product is equally applied to each class of purchaser. The total amount of increased product costs not recouped includes any amount represented by the symbol "H" in the formula in paragraph (c) (2) (ii) of this section which was available for inclusion in price adjustments to special products in a previous month and which the refiner elected pursuant to paragraph (c) (1) (ii) of this section to include in the calculation of the maximum permissible amount which may be used to calculate base prices for covered products other than special prodducts. With respect to each covered product other than a special product, when a firm calculates the amount of inereased product cost not recouped, which may be added to May 15, 1973 selling prices to compute base prices for covered products other than special products in the subsequent month, it shall calculate its revenues as though the greatest amount of increased product costs actually added to any May 15, 1973 selling price of each covered product other than a special product and included in the price charged to any class of purchaser. had been added, in the same amount to the May 15, 1973 selling prices of such product and included in the price charged to each class of purchaser; except that where an equal amount of increased product cost is not included in the price charged to the purchaser because of a price term of a written contract covering the sale of such product which was entered into on or before September 1, 1974. such portion of the increased product costs not included in the price charged to such a purchaser need not be included in the calculation of revenues.

(3) Notwithstanding the above provisions, the amount of unrecouped increased product costs calculated under the "Gr" factor of the general forgulae of paragraph (c) (2) of this section and carried forward pursuant to this paragraph (e) which may be used to compute base prices for the product or products of the type "f" in the current month shall

be limited to not more than:

(1) An amount which, when added to the increased product costs for the month of measurement, will provide for the same amount of increased product costs to be included in selling prices for the current month of the product or products of the type "?" as was included in the selling prices for the preceding month, on a weighted average per unit basis, plus

(ii) An amount which is not more than 10 percent of the amount of unre-couped increased product costs calculated under the "G<sub>i</sub>" factor of the general formulae of paragraph (c) (2) of this section and carried forward pursuant to this paragraph (e), as of October 31, 1974, or as of the end of any month

thereafter.

(4) Increased non-product costs calculated pursuant to § 212.87 for the month of measurement which are not recouped in the current month (which is the month immediately succeeding that month of measurement) may not be carried forward for use in computing allowable prices in excess of base prices in any subsequent month. If the allowable prices in excess of base prices charged in a current month result in the recoupment of more than the total amount of increased non-product costs for the month of measurement (the month immediately preceding that current month), the amount of such overrecoupment shall be subtracted from the amount of increased product cost which would otherwise be available in the subsequent month for allocation to base prices of the product or products with respect to which the overrecoupment of increased non-product costs occurred.

(f) Affiliated entities. For purposes of this section, transactions between affiliated entities may be used to calculate increased product costs. Whenever a firm uses a landed cost which is computed by use of its customary accounting procedures, the FEA may allocate such costs between the affiliated entities if it determines that such allocation is process.

sary to reflect actual costs of these entities or the FEA may disallow any costs which it determines to be in excess of the proper measurement of costs.

#### § 212.84 [Amended]

5. Section 212.84 is amended in paragraph (a) to delete the reference to \$ 212.83(e) to substitute therefor a reference to \$ 212.83(f).

### § 212.85 [Deleted]

6. Section 212.85 is deleted.

7. § 212.87 is added to read as follows:

# § 212.87 Increased non-product costs.

- (a) Scope. This section prescribes the computation of a refiner's increased non-product costs for the period "t" (the month of measurement), which may be used to justify an allowable price in excess of base price in the period "u" (the current month) pursuant to § 212.82(c) and § 212.83(d).
- (b) General definition. (1) Increased non-product costs are, for each month of measurement, the sum of the refinery fuel cost increase, the labor cost increase, the additive cost increase, the marketing cost increase, and the other allowed non-product cost increases, (as defined in this section) multiplied by

#### $V_i^n/V^n$

where:

- Va=The total volume of all covered products (other than propane, which
  may be included only to the extent
  that it was refined by the refiner
  from crude petroleum) and all
  products refined from crude petroleum other than covered products
  sold in the period "n" (the consecutive three month period of the
  preceding year such that the middle month of the period corresponds to the current month
- V<sub>\*n</sub>=The total volume of covered products (other than prepane, which may be included only to the extent that it was refined by the refiner from crude petroleum) sold in the period "n" (the consecutive three month period of the preceding year such that the middle month of the period corresponds to the current month "u").
- (2) A refiner that computes increased non-product costs pursuant to this section shall do so for each defined category of non-product cost, and any reduction in any defined category of non-product cost shall be subtracted from the increases in other defined categories of non-product costs, so that only the net increase in non-product costs for a particular month may be used to justify an allowable price in excess of base price.
- (c) Defined categories of non-product costs. (1) Refinery fuel cost increase. Refinery fuel cost increase is the base refinery fuel usage multiplied by the throughput for the month of measurement, and multiplied by the amount which represents the difference between the average refinery fuel cost rate in the month of measurement and the average refinery fuel cost rate in the month of May, 1973, where:

"Average refinery fuel cost rate" means the weighted average cost of refinery fuel per unit of energy (e.g., dollars per million British Thermal Units (B.T.U.)). If the calculation of refinery fuel costs is not feasible in energy units, a refiner may substitute a method that is more reasonably consistent with the data available. In such cases, however, the refiner must prepare a schedule justifying the alternative method of calculation and explaining why the results represent the average refinery fuel cost rate;

"Base refinery fuel usage" means the amount of refinery fuel, in units of energy (e.g., million B.T.U.'s) used per barrel of refinery throughput during the month of May 1973. If the calculation of refinery fuel costs is not feasible in energy units, the refiner may substitute a method that is more reasonably consistent with the data available. In such cases, however, the refiner must prepare a schedule justifying the alternative method of calculation and explaining why the results represent the base refinery fuel usage; and

"Throughput" means the volume of crude petroleum, unfinished oils, and natural gas liquids refined during the time period specified.

(2) Labor cost increase. Labor cost increase is the base labor cost multiplied by an amount which represents the ratio of the average labor rate in the month of measurement to the average labor rate in the month of May 1973, and multiplied by a productivity offset factor of 0.934, where:

"Average labor rate" means the weighted average direct and indirect remuneration or inducement for personal services which are reasonably subject to valuation (in dollars per man-hours) for those personnel employed at the refinery or those personnel directly involved with refinery operations, including that of the cost of any contract which is attributable to non-employees that perform such services pursuant to a contract between a refiner and an outside entity. To substantiate the average labor rate, a supporting document must be prepared which summarizes the personnel considered in the calculation and the date of any rate increases. Calculation of the average labor rate must be based on the historical accounting practices employed by the refiner; and

"Base labor cost" means the total cost of refinery labor incurred during May 1973 calculated in accordance with the procedures and personnel used in determining the average labor rate.

(3) Additive cost increase. Additive cost increase is the month of measurement additive usage (in supply units) multiplied by the amount which represents the difference between the average additive cost rate in the month of measurement and the average additive cost rate in May 1973, where:

"Additive" means those materials and compounds including catalysts and process chemicals, which are not covered products, and which are added to or blended with crude petroleum or covered products during the refining process;

"Month of measurement additive usage" means the amount of additive used in the refining process per barrel of throughput during the month of measurement, measured in units per barrel of throughput (e.g., lbs/bbl); and

"Average additive cost rate" means the weighted average unit cost of the additives used in the refining process (e.g., dollars/lb). Such unit cost calculation must employ the same units as employed in the calculation of the "Month of measurement additive usage"; and

"Throughput" means the volume of crude petroleum, unfinished oils, and natural gas liquids refined during the

time period specified.

(4) Marketing cost increase. Marketing cost increase is the difference between the cost of marketing covered products in the month of measurement and the cost of marketing covered products in the month of May, 1973, provided, however, that the amount of marketing cost increase which may be applied to compute allowable prices in excess of base prices for covered products is limited to the extent that such marketing cost increases may:

(i) Allow an increase in the prices of gasoline, No. 2 heating oil, and No. 2-D diesel fuel above the prices otherwise permitted to be charged for such products pursuant to the provisions of this part by an amount not in excess of one cent per gallon with respect to retail sales and one-half cent per gallon with respect to

all other sales; and

(ii) Allow an increase in the price of gasoline above the prices otherwise permitted to be charged for gasoline pursuant to the provisions of this part (including the foregoing paragraph (b) (4) (i) of this section) by an amount not in excess of two cents per gallon with respect to retail sales; and

(iii) Allow an increase in the prices of gasoline above the prices otherwise permitted to be charged for gasoline pursuant to the provisions of this part (including the foregoing paragraph (b) (d) (i) of this section) by an amount not in excess of one-quarter cent per gallom with respect to all sales other than retail

sales; and

(iv) Allow an increase in the prices of middle distillates above the prices otherwise permitted to be charged for middle distillates pursuant to the provisions of this part (including the foregoing paragraph (b) (4) (i) of this section) by an amount not in excess of one cent per gallon with respect to retail sales and not in excess of one-quarter cent per gallon with respect to all other sales; and

(v) Allow an increase in the prices of residual fuel oil above the prices otherwise permitted to be charged for residual fuel oil pursuant to the provisions of this part by an amount not in excess of threefourths cent per gallon with respect to retail sales and one-fourth cent per gallon with respect to all other sales; and

(vi) Allow an increase in the prices of propane above the prices otherwise permitted to be charged for propane pursuant to the provisions of this part by an amount not in excess of one cent per

gallon with respect to retail sales and one-half cent per gallon with respect to all other sales; and where:

"Cost of marketing covered products" means the costs attributable to marketing operations with respect to covered products under the customary accounting procedures generally accepted and historically and consistently applied by the firm concerned. A refiner must prepare a schedule itemizing the principal costs included in this category and describing the accounting procedures by which they are calculated.

(5) Other allowed non-product cost increases. Other allowed non-product cost increases are utility cost increase, pollution control cost increase, interest cost increase, and container cost increase, defined as follows:

(i) Utility cost increase is, for each utility, the utility usage for the month of measurement, and multiplied by the amount which represents the difference between the average utility cost rate in the month of measurement and the average utility cost rate in the month of May 15. 1973, where:

"Average utility cost rate" means the weighted average rate of utility cost per unit of such utility (e.g., cents per kilowatt or cents per gallon) used in the refinery process; and

"Utility usage" means the volume of the utility used in the refinery process (e.g., kilowatts or gallons); and

(ii) Pollution control cost increase is the operating cost attributable to acquiring, installing and maintaining any equipment required for the firm to comply with rules and regulations issued by the Environmental Protection Agency, provided that such equipment has been acquired and installed since May 15, 1973, and provided that such costs are accounted for under the customary accounted for under the customary accounting procedures generally accepted and historically and consistently applied by the firm concerned as operating costs, but only to the extent that such costs are not otherwise covered by this section.

(iii) Interest cost increase is the difference between the dollar amount of interest incurred for the use of capital in the month of measurement and the dollar amount of interest incurred for the

use of capital in May, 1973.

(iv) Container cost increase is, for each type of container, the base container usage multiplied by the throughput for the month of measurement, and multiplied by the amount which represents the difference between the average container cost in the month of measurement and the average container cost in the month of May 1973, where:

"Average container cost" means the weighted average cost of containers used by the refiner for packaging covered products:

"Base container usage" means the

number of containers used per barrel of refinery throughput during the month of May 1973;

"Throughput" means the volume of crude petroleum, unfinished oil, and natural gas liquids refined during the time period specified; and

"Container" means any barrel, drum, can, tube, jar, or bottle used for the storing or packaging of covered products.

(d) Prior prenotification. Any authorization to charge an increase in prices above base prices pursuant to the provisions of former §§ 212.121 through 212.125, whether pursuant to FEA action or fallure to act under former § 212.125, shall terminate on January 1, 1975.

#### § 212.111 [Amended]

8. Section 212.111 is amended in paragraph (b) to delete the references to § 212.82(f) and to substitute therefor references to § 212.82(b).

#### § 212.112 [Amended]

 Section 212.112 is amended in subparagraph (b) to delete the reference to \$212.82(f) and to substitute therefor a reference to \$212.82(b).

# §§ 212.121, 212.122, 212.123, 212.124, and 212.125 [Deleted]

10. Sections 212.121, 212.122, 212.123, 212.124, and 212.125 are deleted.

[FR Doc.74-28471 Filed 12-4-74;8:45 am]

# proposed rules

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuence of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

# DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service I 9 CFR Part 92 1

# IMPORTATION OF SLAUGHTER SHEEP

Proposed Relief of Restrictions

Notice is hereby given in accordance with the administrative procedure provisions in 5 U.S.C. 552, that, pursuant to section 2 of the Act of February 2, 1903, as amended; sections 6 and 10 of the Act of August 30, 1890, as amended; and sections 2, 3, 4, and 11 of the Act of July 2, 1962 (21 U.S.C. 104, 105, 111, 134a, 134b, 134c, and 134f), the Animal and Plant Health Inspection Service is considering amending Part 92, Title 9, Code of Federal Regulations in the following respects:

Statement of considerations. The purpose of this proposal is to provide for the importation of sheep and goats from Canada for immediate slaughter without the inspection of the premises of origin which is now required. In view of the fact that Canada has animal disease eradication programs comparable to those of the United States, this action is proposed to relieve restrictions no longer deemed necessary to protect the livestock industry of the United States. Sheep and goats would, however, have to be accompanied by a certificate issued or endorsed by a salaried veterinarian of the Canadian Government stating: (1) That the sheep and goats have been inspected and found free of evidence of communicable disease, and (2) That, as far as can be determined, they have not been exposed to any such disease during the preceding 60 days. The sheep and goats would have to be consigned from the port of entry directly to a recognized slaughtering establishment and under the condition that they there be slaughtered within two weeks from the date

1. In § 92.21, a new paragraph (c) would be added to read:

of entry.

§ 92.21 Sheep and goats from Canada.

(c) Sheep and goats for immediate singular may be imported from Canada without the certification prescribed in paragraph (a) of this section but shall be subject to the other applicable provisions of this Part and shall be accompanied by a certificate issued or endorsed by a salaried veterinarian of the Canadian Government stating that: (1) The sheep and goats were inspected on the premises where assembled for shipment to the United States within the 30 days

immediately prior to the date of export and were found free of evidence of communicable disease, and (2) As far as can be determined, they have not been exposed to any such disease during the 60 days immediately preceding their exportation.

2. § 92.23 would be revised to read:

§ 92.23 Animals from Canada for immediate slaughter.

Cattle, sheep, goats, and swine imported from Canada for immediate slaughter shall be consigned from the port of entry directly to a recognized slaughtering establishment and there be slaughtered within two weeks from the date of entry.

Any person who wishes to submit written data, views or arguments concerning this proposed amendment may do so by filing them with the Deputy Administrator, Veterinary Services, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, Hyattsville, Maryland 20782 before January 6, 1975.

All written submissions made pursuant to this notice will be made available for public inspection at the Federal Building, 6505 Belcrest Road, Room 870, Hyattsville, Maryland 20782, during regular hours of business (8 a.m. to 4:30 p.m., Monday to Friday, except holidays) in a manner convenient to the public business (7 CFR 1.27(b)).

Comments submitted should bear a reference to the date and page number of this issue in the Federal Register.

Done at Washington, D.C., this 2nd day of December 1974.

J. M. Heyl., Deputy Administrator, Veterinary Services, Animal and Plant Health Inspection Service

[FR Doc.74-28455 Filed 12-4-74;8:45 am]

# DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration
[21 CFR Part 1]
FOOD NUTRITION LABELING
Exemption from Requirements

Section 1.17 presently requires, among other things, that certain nutrition information be included on the label of a food whenever any nutrition claim or in-

formation is included in labeling or advertising for the food.

McDonald's Corp., Oak Brook, IL. 60521, has submitted a petition proposing that restaurant food be exempted from this requirement of 21 GFR 1.17 when nutrition information is furnished instead in other labeling, such as placards or posters, which is prominently and conspicuously displayed in close proximality to the point where purchases are made by the cutomer so that all consumers have adequate access to such information. The petition, dated June 11, 1974, is available for inspection in the office of the Hearing Clerk, Food and Drug Administration, Rm. 4-65, 5600 Fishers Lane, Rockville, MD 20852.

The petition states that, due to the nature of the ready-to-eat food business, much of the packaging is not suitable for providing nutrition information because of direct exposure of the package label to moist food particles, condiments, meat julces and residues of cooking oils or shortenings.

It appears to the Commissioner that it would be contrary to the interest of consumers to require that nutrition information appear on such packaging because of nutrition claims or information in other labeling or in advertising Such soiled packaging is unlikely to be read with any degree of care by consumers, and thus it would not be particularly helpful to consumers to insist on use of such package labels as the primary vehicle for such important consumer information. Furthermore, if nutrition information in advertising or in other labeling necessitates the expense of including nutrition information on hamburger wrappers and other packaging which is unlikely to be read, the distributor may choose not to provide any nutrition information in advertising or labeling, on the basis that the added costs of providing detailed information on unread wrappers might cause the project of providing nutrition information not to be worth the expense.

The Food and Drug Administration considers nutrition education of prime importance and will take every opportunity to foster its dissemination to the consumer. Presently, the food service industry accounts for four out of ten meals consumed in the United States. By the end of the decade, the impact of the industry is expected to be even more pervasive. Thus, the Commissioner particularly desires to encourage useful nutrition labeling in this significant and growing segment of the American food supply system.

The Commissioner proposes to accomplish the objectives of the petition by promulgation of an exemption under 21 CFR 1.17(h). If nutrition information concerning a food appears in labeling or

advertising, then, under the proposal, in lieu of including nutrition information on the package label, labeling in compliance with the requirements of § 1.17 may be displayed prominently and conspicuously on the premises by other measures, e.g., counter placards and/or wall posters whereby such information would be readily available to the consumer when he is making a menu selection. If the nutrition information is so provided, the food itself need not bear nutrition labeling.

Since an objective of nutrition labeling is to provide ample exposure of nutrition information to the consumer, the proposed exemption would also require that such placards or posters be displayed conspicuously and prominently in eating areas on the premises, if such areas are provided by the establishment.

The proposed exemption applies only to ready-to-eat restaurant foods, and not to foods requiring further preparation, since it is this factor which distinguishes restaurant foods from other

types of foods.

If a label which bears a nutrition claim or nutrition information is present on the food, then the proposed exemption will not apply and the label will be required to bear all the nutrition labeling cur-

rently required by § 1.17.

The Commissioner advises that use by a restaurant of a standardized enriched food does not require any nutrition labeling unless the restaurant includes a nutrition claim or information in advertising or labeling (e.g., "We use enriched hamburger rolls".). (See 21 CFR 1.17(h) (7).) Also, pursuant to 21 CFR 1.17(a), where food is served without labels to restaurant customers, nutrition claims or information appearing solely in advertising do not require any nutrition labeling. On the other hand, pursuant to 21 CFR 1.17(a), where a restaurant serves food without labels but employs labeling (such as signs or placards) which includes any nutrition claim or information, all such labeling must include the full statement of nutrition information required by 21 CFR 1.17.

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sees. 201, 403, 701(a), 52 Stat. 1040–1042 as amended, 1047–1048, 1055; 21 U.S.C. 321, 343, 371(a)) and under authority delegated to him (21 CFR 2.120), the Commissioner proposes that § 1.17 be amended by adding a new paragraph (h) (13) to read as follows:

0717 P 1 . W 1115

§ 1.17 Food; nutrition labeling.

(h) \*\*\*

(13) Ready-to-eat foods which are prepared in food service establishments and which would otherwise be subject to the requirements of this section need not bear nutrition information on the label in accordance with the provisions of this section: Provided,

(i) That such food does not bear any nutrition information on its label. If any nutrition information is contained on the food label, complete nutrition infor-

advertising, then, under the proposal, mation is required on the label in according lieu of including putrition information, ance with the provisions of this section.

(ii) That off-package labeling, e.g., counter placards and/or wall posters, containing the nutrition information for the food in the format required by this section is displayed prominently and conspicuously at the location at which the menu is examined by the consumer and in any dining areas that are located on the premises.

(iii) That such labeling is displayed concurrent with, and for a period of not less than 2 weeks after discontinuance of, any advertising that contains nutrition

information for the food.

Interested persons may, on or before February 3, 1975, file with the Hearing Clerk, Food and Drug Administration, Rm. 4-65, 5600 Fishers Lane, Rockville, MD 20852, written comments (preferably in quintuplicate) regarding this proposal. Received comments may be seen in the above office during working hours, Monday through Friday.

Dated: November 27, 1974.

Sam D. Fine, Associate Commissioner for Compliance.

FR Doc.74-28404 Filed 12-4-74:8:45 am 1

#### DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 74-EA-77]
CONTROL ZONE AND TRANSITION
AREA

#### **Proposed Alteration**

The Federal Aviation Administration is considering amending §§ 71.171 and 71.—181 of Part 71 of the Federal Aviation Regulations so as to after the Danville, Va., Control Zone (39 FR 374) and Transition Area (39 FR 478).

A new instrument approach procedure has been developed for Danville Municipal Airport, Danville, Virginia, and will require alteration of the control zone and transition area to provide controlled airspace for aircraft executing the

procedures.

Interested parties may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Department of Transportation, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York 11430. All communications received on or before January 6, 1975, will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements may be made for informal conferences with Federal Aviation Administration officials by contacting the Chief, Airspace and Procedures Branch, Eastern Region.

Any data or views presented during

such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested parties at the Office of Regional Counsel, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York.

The Federal Aviation Administration, having completed a review of the airspace requirements for the terminal area of Danville, Virginia, proposes the airspace action hereinafter set forth:

1. Amend § 71.171 of Part 71 of the Federal Aviation Regulations so as to alter the description of the Danville, Va. Control Zone by adding, "; within 1.5 miles each side of a 017° bearing from a point 36°34′48′′ N., 79°20′08″ W., extending from said point to 5 miles north." following "southwest of the VOR".

2. Amend § 71.181 of Part 71 of the

2. Amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the description of the Danville, Va Transition Area by adding the following, "; within 2.5 miles each side of a 017\* bearing from a point 36\*34'48'' N, 79\*20'08'' W., extending from the 8-mile radius area to 11.5 miles north of said point."

(Sec. 307(a) of the Federal Aviation Act of 1958 [72 Stat. 749; 49 U.S.C. 1345] and sec. 6(c) of the Department of Transportation Act [49 U.S.C. 1655(c)])

Issued in Jamaica, N.Y., on October 20, 1974.

ROBERT H. STANTON, Director, Eastern Region.

[FR Doc.74 90364 Filed 12-4-74;8:45 am]

# [ 14 CFR Part 71 ] [Airspace Docket No. 74–EA-78] TRANSITION AREA Proposed Designation

The Federal Aviation Administration is considering amending § 71.181 of Part 71 of the Federal Aviation Regulations so as to designate a Hudson, N.Y., Transition Area.

A new NDB instrument approach procedure to Columbia County Airport, Hudson, N.Y., is in development. To provide controlled airspace for arrival and departure procedures at this airport will require designation of new 700-foot floor

transition area.

Interested parties may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Department of Transportation, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York 11430. All communications received within on or before January 6, 1975, will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements may be made

for informal conferences with Federal Aviation Administration officials by contacting the Chief, Airspace and Procedures Branch, Eastern Region.

Any data or views presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official docket will be available for examination by interested parties at the Office of Regional Counsel, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York.

The Federal Aviation Administration, having completed a review of the airspace requirements for the terminal area of Hudson. New York, proposes the airspace action hereinafter set forth:

1. Amend § 71.181 of Part 71, Federal Aviation Regulations by adding the following 700-foot floor transition area:

### HUDSON, NEW YORK

That airspace extending upward from 700 feet above the surface within an 8-mile radius of the center, lat. 42°17°35" N., long. 73°42°38" w. of Columbia County Airport, Hudson, N.Y.; within a 17-mile radius of the center of the airport extending clockwise from a 025° bearing to a 180° bearing from the airport; within 3.5 miles each side of a 191° bearing from the Philmont, N.Y. radio beacon (lat. 42°15′08" N., long. 73°43°24" W.) extending from the 8-mile radius area to 11.5 miles south of the RBN.

(Sec. 307(a) of the Federal Aviation Act of 1958 [72 Stat. 749; 49 U.S.C. 1348] and sec. 6(c) of the Department of Transportation Act [49 U.S.C. 1655(c)])

Issued in Jamaica, N.Y., on October 20, 1974.

ROBERT H. STANTON, Director, Eastern Region. [FR Doc.74-28365 Filed 12-4-74:8:45 am]

National Highway Traffic Safety Administration

[ 49 CFR Part 571 ]

[Docket No. 74-10; Notice 7]

PART 571—FEDERAL MOTOR VEHICLE SAFETY STANDARDS

# Correction to Air Brake System Proposal This notice corrects the wording of a

This notice corrects the wording of a proposal to amend Standard No. 121, Air brake systems, 49 CFR 571.121, that was published November 14, 1974 (39 FR 40168). As corrected the proposal would, among other things, exempt from the requirements of the standard any vehicle with two or more front steerable axles with a gross axle weight rating (GAWR) of 16,000 pounds or more.

An error which was inadvertently introduced into the language of the proposal would have limited this exemption to the smaller class of vehicles which are equipped with two or more front steerable drive axles with a GAWR of 16,000 pounds or more. The proposal intends to exempt vehicles with either drive or non-drive axles of this size category from the requirements.

Therefore the proposed amendment of paragraph S3. is corrected to read as follows:

S3. Application. This standard applies to trucks, buses, and trailers equipped with air brake systems. However, it does not apply to a fire fighting vehicle manufactured before September 1, 1975, or a heavy hauler trailer manufactured before September 1, 1976, or to any vehicle manufactured before September 1, 1976. that has a gross axle weight rating (GAWR) for any axle of 24,000 pounds or more or to any vehicle which, in combination with another vehicle, constitutes a part of an "Integral tractortrailer" as defined in S4. In addition, the standard does not apply to any vehicle that has an overall width of 108 inches or more, or is equipped with an axle that has a GAWR of 29,000 pounds or more, two or more front steerable axles with a GAWR of 16,000 pounds or more for each axle, or a front steerable drive axle driven through gear reduction contained within the wheel.

(Sec. 103, 119, Pub. L. 89-563, 80 Stat. 718 (15 U.S.C. 1392, 1407); delegation of authority at 49 CFR 1.51)

Issued on November 29, 1974.

JAMES B. GREGORY,
Administrator.

FR Doc.74-28368 Filed 12-4-74;8:45 am]

# ENVIRONMENTAL PROTECTION AGENCY

[ 40 CFR Part 52 ] [FRL 302-1] KENTUCKY

#### Approval and Promulgation of Implementation Plans

On August 15, 1974 (39 FR 29357), the Administrator announced his approval, with one exception, of the Kentucky "Implementation Plan for the Attainment and Maintenance of the National and State Ambient Air Quality Standards." Except for its indirect source provisions, this plan was virtually identical to the one which the Administrator had previously approved for Kentucky on May 31, 1972 (37 FR 10842). This original approval action of the Administrator was vacated on June 28, 1973, by a decision of the U.S. Circuit Court of Appeals for the Sixth Circuit. The court held that the Agency had not complied with section 553 of the Administrative Procedures Act in its original approval.

Prior to this decision, the Administrator had announced (on June 20, 1973 (38 FR 16144)) his disapproval of the compliance schedule portion of the Kentucky plan in that it did not provide compliance schedules with adequate increments of progress for all sources as required by 40 CFR 51.15(c). In particular, compliance schedules with adequate increments of progress had not been submitted for every sulfur oxide source affected by Kentucky Air Pollution Control Regulation AP-4, section 1, Emissions from Indirect Heat Exchangers. In accordance with section 110(c) of the Clean Air Act,

the Administrator at the same time proposed (38 FR 16171) a regulation to correct this deficiency.

On August 27, 1974 (39 FR 30942), the Administrator proposed the approval of a number of individual compliance schedules which were submitted with the resubmitted Kentucky plan. The Administrator has determined that neither these schedules nor those which have been submitted subsequently suffice to remedy the deficiency mentioned above. Consequently, the Administrator deems it appropriate to repropose a regulation providing a categorical compliance schedule for indirect heat exchanger sources of sulfur dioxide in the Commonwealth of Kentucky. The purpose of this notice is to set forth such a regulation as proposed rulemaking and to offer it for public comment.

The compliance schedule proposed here would require that sources not now in compliance with Kentucky Air Pollution Control Regulation AP-4, section 1.(2), 1.(3), or 1.(4), take specific action to achieve compliance by the dates specified in the State regulation. A source that is in compliance may be exempted from such action only by certifying compliance to the Administrator by March 15, 1975. In the meantime, both State and sources affected by the proposal are encouraged to continue the development of individual schedules. These may be submitted by the State at any time, and if the Administrator approves such schedules, the sources involved will automatically be exempt from the compliance schedule set forth below.

Notice of a public hearing to be held on the present proposal is given elsewhere in this issue of the Federal Register. Interested persons may also participate in this rulemaking by submitting written comments in triplicate to the Regional Administrator, Environmental Protection Agency, 1421 Peachtree Street, NE, Atlanta, Georgia 3039, Attention: Paul J. Traina/Kentucky Compliance Schedules. Comments will be accepted on or before January 21, 1975. All comments will be available for public inspection during normal business hours at the above address.

The notice of proposed rulemaking is issued under the authority of section 110 of the Clean Air Act, as amended, 42 U.S.C. 1857C-5(a).

Dated: November 27, 1974.

JACK E. RAVAN, Regional Administrator.

It is proposed to amend Part 52 of Chapter I, Title 40 of the Code of Federal Regulations as follows:

#### Subpart S-Kentucky

1. Section 52.927 is amended by adding a new paragraph (b), as follows:

§ 52.927 Compliance schedules.

(b) Federal compliance schedules.
(1) Except as provided in paragraph
(b) (13) of this section the owner or operator of any fuel-burning facility subject

to the requirements of Kentucky Air Pollution Control Regulation No. AP-4, §1.(2), shall notify the Administrator, no later than March 15, 1975, of his intent to utilize either low sulfur fuel or stack gas desulfurization to meet these requirements.

(2) Any owner or operator of a stationary source subject to paragraph (b) (1) of this section who elects to utilize low sulfur fuel shall be subject to the

following compliance schedule:

(i) April 1, 1975—Submit to the Administrator a projection of the amount of fuel, by types, that will be substantially adequate to enable compliance with the applicable regulations on July 1, 1977 and for at least one year thereafter, as well as a statement as to whether boller modifications will be required. If so, final plans must be submitted for such modification.

(ii) May 1, 1975—Sign contracts with fuel suppliers for projected fuel require-

ments as projected above.

(iii) June 1, 1975—Let contracts for necessary boiler modifications, if applicable.

(iv) January 1, 1976—Initiate onsite modifications, if applicable.

(v) May 1, 1977—Complete onsite modifications, if applicable.

- (vi) July 1, 1977—Achieve compliance with the applicable regulations, and certify such compliance to the Administrator.
- (3) Any owner or operator subject to subparagraph (1) of this paragraph who elects to utilize stack gas desulfurization shall be subject to the following compliance schedule:

(i) April 1, 1975—Submit to the Administrator a final control plan, which describes at a minimum the steps which will be taken by the source to achieve compliance with the applicable regula-

(ii) May 1, 1975—Negotiate and sign all necessary contracts for emission control systems or process modifications, or issue orders for the purchase of component parts to accomplish emission control

or process modifications.

(iii) August 1, 1975—Initiate onsite construction or installation of emission control equipment or process modifica-

(iv) May 1, 1977—Complete onsite construction or installation of emission control equipment or process modification.

- (v) July 1, 1977—Complete shakedown operations and performance tests for the applicable unit(s); also, achieve compliance with Kentucky Division of Air Pollution Regulation AP 4-1(2) and certify such compliance to the Administrator. Ten days prior to any performance testing, notice must be given to the Administrator to afford him the opportunity to have an observer present.
- (4) Five days after the deadline for completing increments in subdivisions 2 (ii) through 2(v), and 3(ii) through 3 (iv) in these subparagraphs, certify to the Administrator whether the increment has been met.

(5) Except as provided in subparagraph (13) of this paragraph, the owner or operator of any fuel-burning facility subject to the requirements of Kentucky Air Pollution Control Regulation No. AP-4, § 1.(3), shall notify the Administrator, no later than March 15, 1975, of his intent to utilize either low sulfur fuel or stack gas desulfurization to meet these requirements.

(6) Any owner or operator of a stationary source subject to paragraph (b) (5) of this section who elects to utilize low suifur fuel shall be subject to the

following compliance schedule:
(1) April 1, 1975—Submit to the Administrator a projection of the amount of fuel, by types, that will be substantially adequate to enable compliance with the applicable regulation on July 1, 1978 and for at least one year thereafter, as well as a statement as to whether boiler modifications will be required. If so, final

plans must be submitted for such modification.

(ii) April 1, 1976—Sign contracts with fuel suppliers for projected fuel require-

ments as projected above.

(iii) May 1, 1976—Let contracts for necessary boiler modifications, if applicable.

(iv) January 1, 1977—Initiate ensite modifications, if applicable,

(v) May 1, 1978—Complete onsite modifications, if applicable.

(vi) July 1, 1978—Achieve compliance with the applicable regulations, and certify such compliance to the Administrator.

(7) Any owner or operator subject to paragraph (b) (5) of this section of this paragraph who elects to utilize stack gas desulfurization shall be subject to the following compliance schedule:

(i) April 1, 1975—Submit to the Administrator a final control plan, which describes at a minimum the steps which will be taken by the source to achieve compliance with the applicable regulations.

(ii) May 1, 1975—Negotiate and sign all necessary contracts for emission control systems or process modifications, or issue orders for the purchase of component parts to accomplish emission control or process modifications.

(iii) May 1, 1976—Initiate onsite construction or installation of emission control equipment or process modification.

(iv) May 1, 1978—Complete onsite construction or installation of emission control equipment or process modifica-

(v) July 1, 1978—Complete shake down operations and performance tests for the applicable unit(s); also, achieve compliance with Kentucky Division of Air Follution Regulation AP 4-1(3) and certifity such compliance to the Administrator. Ten days prior to any performance testing, notice must be given to the Administrator to afford him the opportunity to have an observer present.

(8) Five days after the deadline for completing increments in subdivisions 6 (ii) thru 6(v), and 7(ii) through 7(iv) in these subparagraphs, certify to the

Administrator whether the increment has

(9) Except as provided in paragraph (b) (13) of this section, the owner or operator of any fuel-burning facility subject to the requirements of Kentucky Air Pollution Control Regulation No. Ap-4, § 1. (4), shall notify the Administrator, no later than March 15, 1975, of his intent to utilize either low sulfur fuel or stack gas desulfurization to meet these requirements.

(10) Any owner or operator of a stationary source subject to paragraph (b) (9) of this section who elects to utilize low sulfur fuel shall be subject to the following compliance schedule:

(i) April 1, 1975—Submit to the Administrator a projection of the amount of fuel, by types, that will be substantially adequate to enable compliance with the applicable regulation on July 1, 1979 and for at least one year thereafter, as well as a statement as to whether boller modifications will be required. If so, final plans must be submitted for such modification.

(ii) April 1, 1977—Sign contracts with fuel suppliers for projected fuel require-

ments as projected above.

(iii) May 1, 1977—Let contracts for necessary boiler modifications, if applicable. (iv) January 1, 1978—Initiate onsite

modifications, if applicable.

(v) May 1, 1979—Complete onsite modifications, if applicable.

(vi) July 1, 1979—Achieve compliance with the applicable regulations, and certify such compliance to the Administrator.

(11) Any owner or operator subject to paragraph (b) (9) of this section who elects to utilize stack gas desulfurization shall be subject to the following com-

pliance schedule:

(1) April 1, 1975—Submit to the Administrator a final control plan, which describes at a minimum the steps which will be taken by the source to achieve compliance with the applicable regular.

(ii) May 1, 1976—Negotiate and sign all necessary contracts for emission control systems or process modifications, or issue orders for the purchase of component parts to accomplish emission

control or process modifications.

(iii) May 1, 1977—Initiate onsite construction or installation of emission control equipment or process modification.

(iv) May 1, 1979—Complete onsite construction or installation of emission control equipment or process modification.

(v) July 1, 1979—Complete shake down operations and performance tests for the applicable unit(s); also, achieve compliance with Kentucky Division of Air Pollution Regulation AP 4-1(4) and certify such compliance to the Administrator. Ten days prior to any performance testing, notice must be given to the Administrator to afford him the opportunity to have an observer present.

(12) Five days after the deadline for completing increments in subdivisions 10(ii) through 10(v), and 11(ii) through

11(iv) in these subparagraphs, certify to the Administrator whether the incre-

ment has been met.

(13(1) None of the above subparagraphs shall apply to a source which is presently in compiliance with applicable regulations. The owner or operator of any fuel-burning facility with an aggregate heat input of more than 250 million BTU per hour which is presently in compliance, shall certify such compliance to the Administrator by March 15, 1975. The Administrator may request whatever supporting information he considers necessary for proper certification.

(ii) Any compliance schedule adopted by the State and approved by the Administrator shall satisfy the requirements of this paragraph for the affected

source.

(iii) Any owner or operator subject to a compliance schedule in this paragraph may submit to the Administrator no later than March 15, 1975, a proposed alternative compliance schedule. No such compliance schedule may provide for final compliance after the final compliance date in the applicable compliance schedule of this paragraph. If approved by the Administrator, such schedule shall satisfy the requirements of this paragraph or the affected source.

(14) Nothing in this paragraph shall preclude the Administrator from promulgating a separate schedule for any source to which the application of a compliance schedule in this paragraph fails to satisfy the requirements of \$5.1.15 (b) and (c) of this chapter.

[FR Doc.74-28352 Filed 12-4-74;8:45 am]

# [ 40 CFR Part 80 ] [FRL 297-7] FUELS AND FUEL ADDITIVES

Controls Applicable to Carriers Transporting Unleaded Gasoline

On January 10, 1973, the Environmental Protection Agency promulgated regulations providing for the general availability of unleaded gasoline by July 1, 1974 for use in 1975 and subsequent model year motor vehicles requiring this fuel (40 CFR Part 80). Unleaded fuel is defined in the regulations as gasoline containing not more than 0.05 gram of lead per gallon and not more than 0.05 gram of phosphorus per gallon.

gram of phosphorus per gallon.
Section 80.21 of the regulations, as amended in today's Federal Register, establishes controls applicable to gasoline distributors, who are defined in § 80.2(1) as "any person who transports or stores or causes the transportation or storage of gasoline at any point between any gasoline refinery and any retail outlet." Section 30.21 provides as follows:

After July 1, 1974, no distributor shall sell or transfer to any distributor or retailer any gasoline which he represents as unleaded gasoline unless such gasoline does, in fact, meet the defined requirements for unleaded gasoline in § 80.2 (g).

While this provision was intended to prohibit all carriers from causing unleaded gasoline tendered to them for shipment to fall to comply with the standards, agencies responsible for regulation of carriers have advised EPA that the conditions of § 80.21 as drafted make that section inapplicable to the operations of most carriers. The obligation of most carriers of gasoline is to ship or deliver the product, as tendered by the shipper, to another distributor or retailer. The carrier does not take title to the product and no representation is made by the carrier as to the quality or specifications of the product.

EPA recognizes that most carriers operate under the rule of strict liability when a product is damaged while under the control of the carrier. Consequently, the shipper has a private remedy if a carrier causes unleaded gasoline tendered for transport to exceed the standards due to contamination caused by the carrier. The Agency believes it is necessary, however, to include in the regulations a provision that prohibits carriers from causing unleaded gasoline in compliance with standards when tendered to them to exceed those standards due to the action of the carrier. To accomplish this result, it is proposed to amend § 80.21 by adding a new paragraph (b) prohibiting such action.

Interested parties are invited to submit their views on the proposed amendment. Comments should be sent to the Director, Mobile Source Enforcement Division, Environmental Protection Agency, 401 M Street, SW., Washington, D.C. 20460, All relevant comments postmarked on or before January 6, 1975, will be considered. Comments received pursuant to this proposal will be available during normal working hours (8 a.m. to 4:30 p.m.) at the Office of Public Affairs, Environmental Protection Agency, 401 M Street, SW., Washington, D.C. 20460.

(Section 211 and Section 301(a) of the Clean Air Act, as amended, 42 U.S.C. 1857f-6c and 1857g(a))

Dated: November 27, 1974.

JOHN QUARLES, Acting Administrator.

It is proposed to amend Part 80 of Chapter I, Title 40 of the Code of Federal Regulations as follows:

1. Section 80.21 is redesignated § 80.21 (a) and a new paragraph (b) is added as follows:

§ 80.21 Controls applicable to gasoline distributors.

(b) No carrier or his employee or agent, whether operating under contract or tariff, shall cause unleaded gasoline tendered to the carrier for shipment or transfer to another carrier, distributor, or retailer to fail to comply with the defined requirements for unleaded gasoline in § 80.2(g).

[FR Doc.74-28358 Filed 12-4-74;8:45 am]

[40 CFR Part 204] [FRL 301-6]

NEW PORTABLE AIR COMPRESSORS Notice of Extension of Comment Period

Pursuant to section 6 of the Noise Control Act of 1972 (86 Stat. 1234), the En-

vironmental Protection Agency published a notice of proposed rulemaking, 39 FR 38186-38206 dated October 29, 1974, for newly manufactured portable air compressors. To afford interested persons an opportunity to participate in the rulemaking, the notice invited written submissions of data, views or arguments relative to the proposed regulation. For this purpose, Docket No. ONAC 74-1 was established with a closing date of December 2, 1974, which provided 49 days from the date of signature of the proposed rulemaking for public comment. As the notice did not appear in the FEDERAL REGISTER until October 29, 1974, the public comment was essentially reduced to 34 days, Submissions to the Docket indicate that 34 days does not allow adequate time to fully respond to the solicitation of data, views, or arguments, and therefore Docket extension has been requested.

The Agency has carefully considered, consistent with its intention to promulgate final regulations six months after the proposal of the regulation, the requests for Docket extension and concluded that an extension of Docket to December 31, 1974, would not, in all likelihood, impair the Agency's ability to meet the intended final promulgation date. Accordingly, Docket 74-1 closing date is hereby extended to December 31,

1974

Interested persons may submit 5 (five) written copies of data, views, or arguments in regard to the regulations proposed in 39 FR 38186-38206 to;

Director, Standards and Regulations Division

Office of Noise Abatement and Control (AW-571)

Docket No. ONAC 74-1 U.S. Environmental Protection Agency Arlington, Virginia 20460

All relevant material received by December 31, 1974, will be considered. All comments will be available for public inspection during normal working hours (8 a.m. to 4:30 p.m.) at the Freedom of Information Center, Waterside Mall, 401 M Street, SW., Washington, D.C.

Dated: November 27, 1974.

ROGER STRELOW,
Assistant Administrator for
Air and Waste Management.

[FR Doc.74-28350 Filed 12-4-74;8:45 am]

[40 CFR Part 205]

TRANSPORTATION EQUIPMENT NOISE
EMISSION FOR MEDIUM AND HEAVY
DUTY TRUCKS

**Extension of Comment Period** 

Pursuant to section 6 of the Noise Control Act of 1972 (86 Stat. 1234), the Environmental Protection Agency published a notice of proposed rulemaking, 39 FR 38338-3852 dated October 30, 1974, for newly manufactured medium and heavy trucks. To afford interested persons an opportunity to participate in the rulemaking, the notice invited written submissions of data, views or arguments relative to the proposed regulation. For this purpose, Docket No. ONAC 74-1 was established with a closing date of December 16, 1974, which provided 62 days from the date of signature of the proposed rulemaking for public comment. As the notice did not appear in the Federal Register until October 30, 1974, the public comment was essentially reduced to 47 days. Submissions to the Docket indicate that 47 days does not allow adequate time to fully respond to the solicitation of data, views, or arguments, and therefore Docket extension has been requested.

The Agency has carefully considered, consistent with its intention to promulgate final regulations six months after the proposal of the regulation, the requests for Docket extension and concluded that an extension of Docket to December 31, 1974, would not, in all likelihood, impair the Agency's ability to meet the intended final promulgation date. Accordingly, Docket 74-1 closing date is hereby extended to December 31, 1974.

Interested persons may submit 5 (five) written copies of data, views, or arguments in regard to the regulations proposed in 39 FR. 38338–38362 to:

Director, Standards and Regulations Division Office of Noise Abatement and Control (AW-571)

Docket No. ONAC 74-1 U.S. Environmental Protection Agency Arlington, Virginia 20460

All relevant material received by December 31, 1974, will be considered. All comments will be available for public inspection during normal working hours (8 a.m. to 4:30 p.m.) at the Freedom of Information Center, Waterside Mall, 401 M Street, SW., Washington, D.C. 20460.

Dated: November 27, 1974.

ROGER STRELOW.

Assistant Administrator for
Air and Waste Management.

[FB Doc.74-28349 Filed 12-4-74;8:45 am]

# [ 40 CFR Part 211 ]

[FRL 296-8; Docket No. ONAC 74-3]

LABELING OF HEARING PROTECTORS

Advance Notice of Proposed Rulemaking

Pursuant to the authority of section 8 of the Noise Control Act of 1972, 86 Stat. 1234, Pub. L. 72-574, hereinafter referred to as "the Act," the Environmental Protection Agency (EPA) is considering establishing a new Part 211 of Title 40, Code of Federal Regulations, to contain regulations for the labeling of products which emit noise capable of adversely affecting the public health or welfare, or which are sold wholly or in part on the basis of their effectiveness in reducing noise.

In the first such rulemaking, EPA plans to designate hearing protectors as a product sold wholly or in part on the basis of their effectiveness in reducing noise, and to require that such products be labeled according to their noise at-

tenuation capability. This advanced notice is issued in order to invite public participation in the development of regulations which may be established for the labeling of hearing protectors.

In section 2 of the Act, Congress declared it to be the policy of the United States to promote an environment for all Americans free from noise that jeopardizes their health and welfare. Three basic elements, source, path, and receiver, are characteristic of environments in which noise exists. Noise reduction efforts involve controlling the generation, propagation and/or reception of an unwanted sound. When it is necessary for a person to be located in an environment where noise emission controls at the source or along the propagation path are not feasible or adequate for the protection of hearing, the use of hearing protectors represents the only practicable means of controlling the amount of noise received. Accordingly, hearing protectors have been selected for labeling to provide information to the user on the noise attenuation capabilities afforded by such devices. Such information must be available to the user to ensure that adequate hearing protection is provided by a selected product.

Section 8(a) of the Act requires the Administrator to designate, by regulation, products (or classes thereof) (1) which emit noise capable of adversely affecting the public health or welfare or (2) which are sold wholly or in part on the basis of their effectiveness in reduc-

ing noise.

For each product or class thereof designated under section 8(a), the Administrator shall by regulation require that notice be given to the prospective user as to the level of the noise the product emits, or of its effectiveness in reducing noise as the case may be. Such regulations shall specify (1) whether such notice shall be affixed to the product or to the outside of its container, or to both, at the time of its sale to the ultimate purchaser, or whether such notice shall be given to the prospective user in some other manner; (2) the form of the notice, and (3) the methods and units of measurement to be used to determine effective noise attenuation.

EPA solicits information relative to all aspects associated with the labeling of hearing protectors. In particular, information in the following areas is de-

sired:

 Information as to the different types, makes and models of hearing protectors which are now being sold, and their packaging.

(2) Information as to what is now being provided to purchasers in regard to the effectiveness of hearing protectors and the manner and techniques used to relay such information.

(3) Discussion of recommended methods for classifying hearing protectors and other parameters which could be used as descriptors in a classification scheme.

(4) Test procedures currently in use or under development to determine noise attenuation capabilities of hearing pro-

tectors, and test procedures which could be so used.

(5) Information regarding shelf life and use life of hearing protectors.

(6) Hazards associated with the improper use of hearing protectors, or of devices or products inappropriately used as hearing protectors.

(7) Information and suggestions on the form a label for hearing protectors should take and what information should appear on the label in order to convey meaningfully to the purchaser the noise attenuation capability of the hearing protector.

(8) Information regarding the number of hearing protectors produced for distribution per year in the U.S.A., the number of hearing protectors imported for distribution in the U.S.A., and the number of manufacturers or importers involved, their locations and relative

market shares.

Communications should identify the Docket Number and be submitted with five (5) copies to the Director, Standards and Regulations Division, Office of Noise Abatement and Control, United States Environmental Protection Agency, 1921 Jefferson Davis Highway, Arlington, Virginia 20460. To be effectively considered, comments relative to this advance notice of proposed rulemaking should be received at this EPA address on or before February 1, 1975.

This advance notice is issued under the authority of section 8 of the Noise Control Act of 1972, 86 Stat, 1234, Pub.

L. 92-574.

JOHN QUARLES, Acting Administrator.

NOVEMBER 27, 1974.

[FR Doc.74-28356 Filed 12-4-74;8:45 am]

# FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Parts 2, 83]

[Docket No. 19946; FCC 74-1255] SEARCH AND RESCUE COMMUNICATIONS

Frequencies for Ship Station Installation

1. A notice of proposed rule making in the above-captioned matter was released on March 6, 1974, and was published in the FEDERAL REGISTER ON MARCH 11, 1974 (39 FR 9462). The first report and order was released on November 29, 1974.

In its first report and order, the Commission concluded the amendment of Part 2, made available the frequency 157.1 MHz for use by non-Government ship stations, rejected the mandatory fitting of 157.1 MHz aboard non-Government commercial vessels, and designated 156.3 MHz for SAR communications. The Commission did not resolve, as concerns recreational vessels, the requirement that 157.1 MHz be fitted in VHF equipment. As stated in the First Report and Order, the Commission is not satisfied that the comments filed did, in fact, provide a representative cross-section of the recreational boating public to adequately serve as the basis for an affirmative finding that the fitting of 157.1 MHz should be summary of paragraph 3, above, that is, on a mandatory basis.

2. In this further notice of proposed rule making we are, therefore, seeking response from a broader cross-section of operators of recreational (non-commercial) vessels. The specific proposal on which we request comments is:

Should (all) recreational (non-commercial) vessels of 65 feet and less in length, which are VHF equipped, be required to fit for the use of 157.1 MHz on a mandatory basis.

If appropriate, an implementation period of one year, from the effective date of the rule amendment, will be provided in which to complete the fitting and retrofitting of VHF equipment.

3. In regard to recreational (noncommercial) vessels, VHF equipped for operation in the band 156-162 MHz, the only specific frequencies which the Commission now requires to be installed are 156.8 MHz and 156.3 MHz. The reasons for requiring their availability is related to their usage, that is:

156.8 MHz is the national distress, safety and calling frequency. This channel provides the commonsity which is indispensable to a safety system, if one vessel in time of emergency is to contact other vessels without prior coordination.

156.8 MHz provides, also, a common calling channel avaliable to all vessels. Under the calling and working concept, in use nationally and internationally, calls are initiated on a common calling channel, communication having been established, vessels then shift to an agreed working channel.

156.3 MHz, as the primary intership frequency, is the first priority working frequency for intership communications, that is, two vessels having established contact on 156.8. MHz, are required to shift to a working frequency common to both vessels (it does not have to be 156.4 MHz), it is necessary that at least one intership working frequency be available which is common to all vessels. The frequency 156.3 MHz fulfills this requirement; and its availability is a national and treaty requirement.

In summary, the frequencies 156.8 MHz and 156.3 MHz are specified in the Commission's rules as mandatory because they are necessary and indispensable to the satisfactory functioning of the VHF maritime radio safety system. It is obvious, of course, that other VHF channels are necessary to the normal rendition of maritime VHF communications and, in fact, do contribute to safety in that service. The selection of those additional VHF channels, however, is left to the discretion of the licensee.

4. We turn now to the firm recommendation of the United States Coast Guard (USCG), and equally firm views expressed by the United States Power Squadron (USPS), that installation of 157.1 MHz be made mandatory aboard VHF equipped recreational (non-comercial) vessels. The usage of 157.1 MHz urged by the USCG and USPS is: calls by recreational vessels to the USCG, for whatever purpose, should be made on 156.8 MHz followed by a shift of the vessel and USCG station to the working frequency 157.1 MHz. This usage, then, is the same as that set forth in the

summary of paragraph 3, above, that is, 157.1. MHz is one among other frequencies the use of which will contribute to the safety system.

5. Further, the USCG expresses the view that availability of 157.1 MHz in VHF equipped recreational (non-commercial) vessels will reduce the loading on 156.8 MHz. While we can agree that some reduction would occur, we have insufficient evidence as to what degree it contributes to the justification for mandatory coverage of 157.1 MHz.

6. The USCG has recently provided this Commission with additional information in support of its request to make Channel 22 (157.1 MHz) crystallization mandatory aboard certain classes of vessels. The pertinent information provided by the USCG is quoted as follows:

 The Coast Guard has requirements to communicate with the boating public from its ship and shore stations for other than safety, distress and calling communications. (At present these functions are generally carried out on channel 16 (156.8 MHz)). The requirements include:

a. Aids to navigation malfunction reports.
 b. Notification of hazardous cargo movements.

c. Requests for weather data, sea and bar conditions, radio checks, etc.

d. Scheduled and urgent marine information broadcasts.

 communications with vessels requiring Coast Guard assistance but whose communications may be shifted to a working channel to keep the distress channel open for other calls.

2. For the purposes cited above, the Coast Guard is presently using, as an interim measure, channel 12 (156.6 MHz) which is a public port operations frequency used by your licensees for port operations business, it is expected that this channel will be required on a dedicated basis for vessel traffic systems in at least two major U.S. ports. Our authority for the use of channel 12 is limited by the FCC to unscheduled broadcasts. This restriction prevents the Coast Guard from transmitting important marine information on a routine basis on VHF-FM to the boating

3. Because of the lack of common crystallization on appropriate frequencies within the maritime community, a large number of messages of the type discussed in paragraph 1 above are being improperly handled on channel 16. This improper traffic is not only undestrable on channel 16, but it is contributing to its congestion at the possible expense of legitimate distress cases. Channel 16 is also being congested unnecessarily while the Coast Guard and a calling party nego-

tiate a common channel on which to shift. 4. The concept of requiring certain classes of maritime radio users to fit on a mandatory basis a common CG liaison channel provides insurance for all users that every reasonable step has been taken to insure that the distress channel will be available when needed. In a recent case, a sinking boat was able to transmit only one distress call on VHF-FM before sinking. This was picked up by the Coast Guard and five persons were saved because the distress channel was available for their immediate use. It is agreed that many prudent boatmen will see the wisdom of having this liaison channel; however, as in the case of automobile insurance (where many states have mandatory insurance laws) it is the person who is not prudent and does not outfit on the liaison channel who will cause the unnecessary congestion with possible disastrous effects.

5. To satisfy the requirement for a dedicated liaison frequency, the Coast Guard (through the IRAC) is making available to the public VHF-FM channel 22 (157,1 MHz) and has requested the FCC to require ship stations to outfit on a mandatory basis. The use of a Government frequency to satisfy this requirement parallels action taken some years ago in the 2-3 MHz maritime band when 2670 kHz was designated as the CG Haison frequency as an alternate to 2182 kHz (the distress, safety and calling frequency) The public was encouraged to outfit with 2670 kHz but our experience, which can be borne out by your records, is that the majority of ship stations have not outfitted with 2670 kHz. To meet the need of liaison on other than the distress frequency, normal Coast Guard operating procedures are to use a floating unit operating on 2638 kHz and 2678 kHz (intership frequencies) to contact ship stations. In some cases, we have sought special approval to place these intership frequencies at our shore stations. In VHF-FM it is not possible to use a CG floating unit for liaison because of the propagation limitations of this band.

6. The Coast Guard is planning, effective 1 september 1975, to discontinue all liaison communications on channels 6, 12, 14 or any other channel except for 22. Further, any messages other than those for distress, safety or calling will not be accepted by any Coast Guard unit on channel 16. Also effective 1 September 1975, the Coast Guard will make marine information broadcasts only on channel 22.

7. There has been considerable discussion concerning the possibility of the Coast Guard establishing a dedicated guard on channel 22. This is a reasonable extension of the argument for reducing traffic on channel 16. The Coast Guard is willing to consider establishing such a guard at selected establishing such a guard at selected establishing such a guard at selected establishing such as guard as such as a s

8. In the comments received as the result of the original Notice of Proposed Rule Making AIMS objected to requiring a mandatory liaison channel on board major vessels. The crux of their objection was that they had negligible requirement to communicate with Coast Guard. It is the Coast Guard's opinion that the argument put forth in paragraph 4 above is also applicable to large ships. This is specifically due to their interference potential due to high antenna heights. However, to circumvent the AIMS objection, the Coast Guard is willing to accept somewhat lower level requirement of mandatory outfitting; that it, to make channel 22 mandatory on all vessels subject to the Federal Boat Safety Act of 1971 (PL-75, 46 USC 1451 et seq) and all vessels licensed for the service of towing and whose business involves no international ports of call.

To prevent placing an unnecessary burden on the users, the following implementation dates are requested:

1 year from rule making: Mandatory outfitting on existing units.

6 months from rulemaking: Mandatory outfitting new equipment.

7. The amendments to the rules as set forth in paragraph 2 of this notice, are issued pursuant to authority contained in sections 4(1), 303(c), (g) and (r) of the Communications Act of 1934, as amended.

8. Pursuant to applicable procedures set forth in § 1.415 of the Commission's rules, interested persons may file comments on or before January 3, 1975, and

reply comments on or before January 13, 1975. All relevant and timely comments and reply comments will be considered by the Commission before final action is taken in this proceeding. In reaching its decision in this proceeding, the Commission may take into account other relevant information before it, in addition to the specific comments invited by this notice.

9. In accordance with the provisions of § 1.419 of the Commission's rules, an original and 14 copies of all statements, briefs, or comments filed shall be furnished the Commission. Responses will be available for public inspection during regular business hours in the Commission's Public Reference Room at its headquarters in Washington, D.C.

Adopted: November 19, 1974. Released: November 29, 1974.

[SEAL]

FEDERAL COMMUNICATIONS COMMISSION VINCENT J. MULLINS,

Secretary.

[FR Doc.74-28414 Filed 12-4-74;8:45 am]

#### FEDERAL HOME LOAN BANK BOARD

[ 12 CFR Parts 545, 561 and 563 ]

[No. 74-1219] FEDERAL SAVINGS AND LOAN SYSTEM

Federal Savings and Loan Insurance Corporation; Conflicts of Interest

NOVEMBER 22, 1974.

The following summary of the amendments proposed by this resolution is provided for the reader's convenience and is subject to the full explanation in the following preamble and to the specific provisions of the proposed regulations.

I. Existing Regulations and other controls. A. Insurance Regulation 563.17(b) prohibits excessive compensation to directors, officers and employees of insured institutions and their service corpora-

B. Insurance Regulation 563.34 prohibits, except with prior written approval of the Corporation, insured institutions from establishing certain interlocks with depositories after July 1, 1972. Interlocks in existence prior to July 1, 1972 may continue unless specifically disapproved by the Corporation.

C. Insurance Regulation 563.35, 1. Prohibits insured institutions and directors, officers and employees from granting a loan on condition that the borrower contract with a particular company for the following services:

a. Insurance, except governmental.

b. Building materials.

c. Legal services, including title examination, escrow and abstract services.

d. Services of a real estate agent or broker.

2. An insured institution may refuse to grant a loan to a borrower if the borrower wishes to contract for insurance services with a company which the institution reasonably believes affords it insufficient protection.

a borrower to reimburse the institution for legal services to the institution in connection with processing and closing the loan which are rendered by a person selected by the institution.

D. Federal associations and various insiders of such associations are expressly subject to certain regulatory restrictions and prohibitions regarding conflicts of

interest.

E. Through Conditions of Insurance and Agreements for Operating Policies established in connection with applications for Federal charters and insurance of accounts, insured institutions are subject to certain non-regulatory controls regarding conflicts of interest.

II. Proposed Regulations. A. Generally, the non-regulatory controls referred to above would be stated in regulatory form and would be strengthened with allowances for phasing-in. The scope and rigor of the requirements in existing Federal regulations would be expanded and the revised requirements would be made applicable to all insured institutions. Existing Federal regulations would be revoked to the extent they would be inconsistent or redundant.

B. New Insurance Regulations 561.29, 561.30, 561.31 and 561.32: Definitions. 1. Affiliated person. An affiliated person of an insured institution is:

a. Any director, advisory director, officer or controlling person (defined by existing § 561.28) of such institution, and any attorney regularly serving such institution as attorney-at-law;

b. Any member of the immediate family of any person in (a) :

c. Any law firm regularly serving such institution; and

d. Any corporation, partnership or trust in which any of the persons in (a), (b), or (c) owns a 10 percent or more equity or beneficial interest, either individually or collectively.

2. Immediate family. A person's im-

mediate family means:

a. Such person's spouse and his father, mother, children, brothers, sisters and grandchildren; b. The spouses of the relatives in (a):

c. The father, mother, brothers and sisters of such person's spouse.

3. Director. The term "director" means any director, trustee or other person per-

forming similar functions.

4. Officer. The term "officer" means the chairman of the board (if salaried), the president, any vice-president, the secretary, the treasurer, the principal financial officer, the comptroller, the principal accounting officer, and any other person performing similar functions. With respect to insured institutions, the term "officer" also includes any loan officer or branch manager and any other person performing similar functions for the institution.

C. New Insurance Regulation 563.33: Directors, advisory directors, officers and employees. 1. Sets forth restrictions concerning the composition of boards of directors of insured institutions, Exist-

3. An insured institution may require ing directors not affected until 194 annual meeting. Existing directors may not assume new relationships which violate these restrictions. In determining whether someone may become a director after the effective date of this regulation, the affiliations of the entire Board must be examined-not just those of the proposed new director, Director restrictions are:

a. At least 7 persons, with a majority living or working in communities served

by the insured institution;

b. Not more than one-third to be officers or employees of the insured institution or an affiliate (affiliate is defined in terms of 25 percent voting rights):

c. Not more than one-third to be significantly engaged in related businesses other than through an affiliate of the in-

sured institution;

d. Majority not to be persons referred to in (b) or (c) or directors of other financial institutions (defined as S&Ls, MSBs and commercial banks) or their affiliates, which are not affiliates of the insured institution;

e. At least one-third not to be persons referred to in (b) or directors of any affiliate other than a service corporation;

f. Not more than two from same immediate family, and not more than one from same law firm:

g. Not more than two from any other financial institution or affiliate which is not an affiliate of the insured institution, and only one of the two from the same other financial institution or affiliate;

h. None to be officers or employees of any other financial institution or affiliate which is not an affiliate of the in-

sured institution.

2. Precludes officers of insured institutions from being officers or employees of other financial institutions and their affiliates which are not affiliates of the insured institution. Permits a maximum of two officers of an insured institution to be officers or employees of affiliates of the institution other than service corporations.

3. Prohibits use of employees of insured institutions or service corporation affiliates (defined in terms of at least 50% ownership) to do work for affiliated persons without compensation to such institution or service corporation.

4. Prohibits excessive compensation of directors, advisory directors, and officers of insured institutions and their service corporation affiliates. Guidelines for determining excessive compensation

are provided.

C. Revised Insurance Regulation 563. 34: Selection of Depository. 1. Revised regulation would prohibit an insured institution from establishing or maintaining a depository relationship with a depository with which such institution has an "interlock." Existing interlocks not affected until January 1, 1976.

2. An interlock exists whenever a depository is an "affiliated person" of the insured institution or any director, advisory director, officer or controlling person of the institution is a director or officer of the depository or an affiliate of the depository.

D. Revised Insurance Regulation 563 .-35: Certain conditions prohibited. 1. Construction services and mobile home sales or services would be added to the list of services as to which an insured institution may not require a borrower to contract with a specific company or person in order to receive the loan.

2. The existing provision which authorizes an insured institution to refuse to grant a loan if the borrower wishes to contract for insurance services with a company which the institution reasonably believes affords it insufficient protection would be expanded to include

legal services.

3. Insured institutions would be required to advise a home borrower in writing of his right to select the companies or persons performing insurance and legal services. This notice would be required reasonably in advance of closing and no later than the loan commitment.

4. The revised regulation would prohibit an insured institution from requiring a borrower to pay for legal services, if any, unless such services are performed by an attorney selected by such borrower. If an insured institution desires to have an attorney other than the attorney selected by the borrower, then such institution must pay his fee.

E. New Insurance Regulation 563.40: Payment of fees to affiliated persons. 1. Prohibits affiliated persons of an insured institution from receiving, directly or indirectly, a loan procurement fee from the institution or any other source on loans made by the institution or service

corporation affiliate thereof.

2. Prohibits affiliated persons of an insured institution from receiving, directly or indirectly, discounts, rebates or commissions on initial loan charges on loans by the institution or service corporation affiliate thereof.

3. Prohibits an insured institution or service corporation affiliate thereof from receiving, directly or indirectly, such discounts, rebates or commissions, unless as compensation for services actu-

ally performed.

F. New Insurance Regulation 563.41: Transactions with affiliated persons involving real property. 1. Prohibits insured institutions and service corporation affiliates from engaging in transactions with affiliated persons involving purchase or sale of real property and the leasing of real property from affiliated persons.

2. Existing office building leases could not be renewed without Corporation approval. Renewals to last after January 1, 1980 require stricter approval

standards.

G. New Insurance Regulation 563.42: Office facilities. 1. Requires insured institutions to have independent home and branch office quarters. Existing leases could not be renewed without Corporation approval. There would be stricter approval standards after January 1, 1978.

2. Requires principal offices of insured institutions to be ground-floor after January 1, 1978, except with Corporation approval.

H. New Insurance Regulation 563.43: Loans and loan related transactions involving affiliated persons. 1. Prohibits insured institutions and service corporation affiliates from engaging in loan and other transactions with affiliated persons.

2. Prohibits insured institutions and service corporation affiliates from engaging in the following types of transactions with third persons:

a. Making or purchasing loans secured by property acquired from an affiliated person;

b. Making or purchasing loans with respect to which proceeds will benefit affiliated persons;

c. Making or purchasing loans se-cured by property in which an affiliated person has a security interest;

d. Accepting securities of an affillated person as loan collateral;

e. Maintaining compensating ances with respect to a loan by a third party to an affiliated person; and

f. Guarantees or take-out commitments with respect to a loan by a third

party to an affiliated person.

The Federal Home Loan Bank Board considers it desirable to propose to amend Parts 561 and 563 of the rules and regulations for insurance of accounts (12 CFR Parts 561 and 563) by adding nine new sections thereto and revising three existing sections thereof in order to regulate conflicts of interest more effectively. These amendments would generally restrict various types of conflict of interest practices and conditions which the Board believes are unsafe or unsound and which are inconsistent with economical home financ-

Presently, Federal savings and loan associations are circumscribed in their ability to engage in some of the practices which the proposed amendments would restrict with respect to all insured institutions. The Board therefore also proposes to amend seven sections of Part 545 of the Rules and Regulations for the Federal Savings and Loan System (12 CFR Part 545) by revoking certain provisions thereof to the extent that such provisions are rendered inconsistent or redundant by the proposed amendments to the Rules and Regulations for Insurance of Accounts.

In addition to necessitating changes in existing Federal Regulations, the new and revised sections of the Insurance Regulations would also affect insured institutions' Conditions of Insurance and Agreements for Operating Policiesparticularly those provisions of the Conditions and Agreements which concern the composition of boards of directors of insured institutions and the maintenance of the operations of insured institutions in independent ground-floor quarters. As all insured institutions do not operate pursuant to the same Conditions of Insurance and Agreement for Operating Policies, the new and revised sections of the Insurance Regulations will affect insured institutions in different ways. The

Board considers it both unnecessary and cumbersome to amend the Conditions of Insurance and Agreements for Operating Policies of institutions which are already insured because all insured institutions have agreed to abide by applicable Board regulations. However, the Board does plan to amend the standard Conditions of Insurance and Agreements for Operating Policies which are used in connection with institutions applying for a Federal charter or for insurance of accounts in accordance with the proposed new and revised sections of the Insurance Regulations.

Several of the proposed new and revised Insurance Regulations contain phase-in provisions. These provisions generally permit existing arrangements -such as the lease of an insured institution's office quarters from a director of the institution—to continue until a specified date in order to ensure that the new restrictions will not disrupt the orderly operation of insured institutions.

In conjunction with this proposal, the Board considers it desirable to withdraw the following three proposals (relating to conflicts of interest) which have been outstanding for a considerable period of time: Resolution Nos. 70-61 and 70-63. dated July 21, 1970 and published in the FEDERAL REGISTER on July 30, 1970 (35 FR 12215) and Resolution No. 71-372, dated April 15, 1971 and published in the Feb-ERAL REGISTER on April 21, 1971 (36 FR. 7535). Resolution No. 70-61 would have amended the prescribed bylaws for Federal associations having Charters N or K(rev.) in several respects and would have revoked (either in whole or in part) seven sections of Part 545 (12 CFR Part 545). Resolution No. 70-63 would have codified the prescribed bylaws for Federal associations having Charter K. Resolution No. 71-372 would have amended Part 563 (12 CFR Part 563) to prohibit insured institutions from engaging in certain conflict of interest practices with persons closely connected with such institutions. The Board also considers it desirable to withdraw Resolution No. 74-63 concerning advisory boards of directors and advisory committees of insured institutions. Resolution No. 74-63, which was proposed on January 30, 1974 and published in the FEDERAL REGISTER on February 11, 1974 (39 FR 5200), would have revised § 563.34 of the Insurance Regulations (12 CFR 563.34) to include members of an advisory board of directors or an advisory committee within the groups defined as constituting an "Interlock." The term "interlock" is presently used in § 563.34 to describe the relationship between an insured institution and its depository. As discussed in Part I of this preamble, the present proposal would revise \$ 563.34 by restricting the circumstances under which an insured institution could maintain a depository relationship with a depository with which it has an interlock. The present proposal also reproposes adding advisory boards of directors and members of advisory committees to the list of persons who will create an interlock between an insured institution and a depository because the

Board believes that these two matters concerning § 563.34 should be considered together. Resolution No. 74-62, which was proposed on January 30, 1974 and published in the FEDERAL REGISTER on February 11, 1974 (39 FR 5199), would have revised § 545.6-8 and added a new § 545.26 of Part 545 (12 CFR Part 545) and revoked § 544.6(h) (2) of Part 544 (13 CFR Part 544) concerning advisory directors of Federal associations. By acompanion Resolution to this proposal (Resolution No. 74-1220), the Board revoked § 544.6(h) (2) and adopted those provisions of proposed new § 545.26 not relating to fees of advisory directors. This proposal restricts the fees paid to and loans made to advisory directors so that these matters may be considered in connection with the other conflicts of interest amendments proposed herein.

In order to facilitate understanding of this complex set of proposed amendments each new and revised Insurance Regulation will be explained separately. The affected Federal Regulations will be discussed in connection with each such explanation. As an additional aid to the reader, related amendments are discussed together under the following four headings: (I) Restrictions Concerning Composition of Boards of Directors, Officers and Other Related Matters; (II) Restrictions Concerning Affiliated Persons; (III) Restrictions Concerning Office Facilities; and (IV) Restrictions Concerning Payment of Legal Fees.

I. Restrictions Concerning Composition of Boards of Directors, Officers and Other Related Matters. A. New § 563.33: Directors, advisory directors, officers and employees. Section 563.33(a) would define four terms for use in § 563.33. The term "financial institution" would be defined to mean "any savings and loan association, building and loan association, homestead association, cooperative bank, mutual savings bank, commercial bank or trust company." An "affiliate" of any financial institution would be defined to mean "any person or company which controls, is controlled by or is under common control with, such financial institution." A person or company would be deemed to have control of an entity "if such person or company directly or indirectly or acting in concert with one or more other persons or companies, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than 25 percent of the voting shares or rights of such entity; or controls in any manner the election or appointment of a majority of the directors of such entity; or is a general partner in or has contributed more than 25 percent of the capital of such entity." The term "service corporation affiliate" would have the meaning given to it by \$\$ 561.25, captioned Affiliate, 561.28, captioned Service corporation, and 561.27, captioned Service corporation affliate. Thus, the term "service corporation affiliate", as used in \$ 563.33 (and elsewhere in the Insurance Regulations), would refer to a service corporation which is at least 50 percent owned by an insured institution,

while an "affiliate" of a financial institution refers to an entity which is at least 25 percent owned by such institution or its holding company parent, either directly or indirectly. A "service corporation affiliate" therefore would be included within the phrase "affiliate" of a financial institution unless specifically excluded.

Section 563.33(b) would establish ten regulatory restrictions on the composition of boards of directors of insured institutions. The Board does not presently have any regulations in this area; existing controls operate through Conditions of Insurance and Agreements for

Operating Policies.

First, § 563.33(b) (1) would require the board of directors of an insured institution to be composed of at least seven persons. Charters N. K (rev.) and K all permit Federal associations to have boards of between five and fifteen persons. As seven is between five and fifteen, new § 563.33(b) (2) would not be inconsistent with Charters N, K (rev.) and K.

Second, § 563.33(b) (2) would require that a majority of the directors of an insured institution live or work in one or more of the communities served by

the institution.

Third, [ 563.33(b) (3) would provide that not more than one-third of the directors of an insured institution shall be salaried officers or employees of such institution or an affiliate of such institution. As is discussed below, the term "officer" would be defined to include "the chairman of the board (if salaried), the president, any vice-president, the secretary, the treasurer, the principal financial officer, the comptroller, the principal accounting officer, and any other person performing similar functions with respect to any organisation whether incorporated or unincorporated." When used with respect to an insured institution, the term "officer" would also include "any loan officer or branch manager, and any other person performing similar functions."

Fourth, § 563.33(b) (4) would provide that not more than one-third of the directors of an insured institution may be significantly engaged (other than through an affiliate of such institution) in a business materially engaged in certain designated activities. These activities are: "underwriting, reinsuring, agency or brokerage services involving homeowners', credit life, credit health and accident, private mortgage or title insurance; consumer finance company activities; mobile home manufacturing or sales; building materials or supply sales; real estate development or investment: building construction; real estate sales; property management; mortgage banking; appraisals; escrow, abstract or deed of trust services; and legal services performed by attorneys regularly serving such insured institution as attorneys-atlaw." Section 563.33(b) (4) would also provide that "a director shall be deemed to be significantly engaged in a business if the director is a salaried officer or employee, or general partner of, or has directly or indirectly a 10 percent or more equity or beneficial interest in, the business."

Fifth, § 563.33(b) (5) would provide that a majority of the directors of an insured institution shall be persons other than (1) those enumerated in \$\$ 56331 (b) (3) and (4) (insider officers and em. ployees, and those engaged in certain businesses), and (2) those who are directors of other financial institutions or their affiliates. However, the second part of this requirement would not encompass those directors of the insured institution who are also directors of other financial institutions or their affiliates if such other financial institutions or affiliates of the insured institution (for example, directors of a savings and loan holding company of which the insured institution is a subsidiary). The effect of \$563.33(b)(5) would be to require that a majority of the board of directors of an insured institution be persons of basically independent judgment.

Sixth, § 563.33(b) (6) would require that at least one-third of the directors of an insured institution be persons other than those enumerated in § 563.33(b) (3) (insider officers and employees) and directors of affiliates of such institution other than service corporations. An effect of this provision would be to limit the extent to which an insured institution's board of directors may be the same as that of its parent holding company.

Seventh, § 563.33(b) (7) would provide that not more than two directors of an insured institution shall be members of the same "immediate family." The definition of the term "immediate family" is discussed below in connection with restrictions concerning "affiliated persons" in Part II of this preamble.

Eighth, § 563.33(b) (8) would provide that not more than one lirector of an insured institution shall be a member of

the same law firm.

Ninth, § 563.33(b) (9) would provide that not more than two directors of an insured institution shall be directors of any other financial institution or affiliate, and that such two directors shall not be directors of the same financial institution or affiliate. However, this restriction would not apply to persons who are directors of affiliates (including financial institutions) of such institution. This provision is intended to limit the influence over an insured institution by any other financial institution which is an affiliate of such insured institution

Tenth, § 563.33(b) (10) would provide that no director of an insured institution shall be an officer or employee of any other financial institution or affiliate thereof. However, this restriction would not apply to any financial institution of affiliate which is an affiliate of such in-

sured institution.

Section 563.33(c) would restrict the relationships which may exist between officers of insured institutions and officers of other financial institutions. The Board does not presently have any regulations or other general controls in this

area. This section would provide that not more than two officers of an insured institution shall be officers of any affiliate of such institution other than a service corporation. This would mean, for example, that all the officers of an insured institution could not be the same people who are officers of its parent holding company. Section 563.33(c) also would provide that no officer of an insured institution shall be an officer or employee of any other financial institution or affiliate thereof, unless such financial institution or affiliate is an affiliate of such insured institution.

Section 563.33(d) would set forth the manner in which insured institutions must comply with §§ 563.33 (b) and (c) and the date by which such compliance must be effected. Section 563.33(d) (2) would provide that any insured institution which is operating pursuant to an agreement with the Corporation which contains a provision which is less restrictive than the corresponding provision in § 563.33 (b) or (c) shall at least be in compliance with such less restrictive provision until its 1984 annual meeting. Section 563.33(d) (2) would provide further that no person shall become a director of an insured institution after the effective date of the regulation (as opposed to 1984) except in compliance with §§ 563.33 (b) and (c). Each insured institution would have to be in compliance with §§ 563.33(b) and (c) after its 1984 annual meeting and an insured institution shall continue to comply with any provisions of its Conditions of Insurance not covered by §§ 563.33 (b) and (c). Section 563.33(d) (1) would require any insured institution presently operating pursuant to Conditions of Insurance containing a provision which is more restrictive than the corresponding provision in §§ 563.33 (b) or (c) to continue to comply with such more restrictive provision. However, such an institution could request an amendment to such Conditions of Insurance by filing an application with its Supervisory Agent.

Section 563.33(e) would provide that no insured institution or service corporation affiliate thereof shall permit any officer or employee to work for any affiliated person of such institution during the hours of his employment by such institution unless such affiliated person compensates the institution for the time during which the officer or employee was engaged in such work. The Board does not presently have any regulations or

other general controls in this area. Section 563,33(f) would provide that compensation to directors, members of advisory boards of directors and advisory committees, and officers of insured institutions and their service corporation affiliates shall not be in excess of that which is reasonable and commensurate with their duties and responsibilities. This requirement is presently set forth in § 563.17(b), Management and financial policies, and would be moved to new § 563.33(g) because it is more closely akin to the subject matter of the latter section. However, the § 563.17(b) requirement applies to directors (but not advisory directors), officers and employees of an insured institution and all service corporations in which such institution has an investment. Employees would be deleted from the revised regulation because the Board believes that excessive compensation to them should be controlled indirectly as a part of the normal fiduciary responsibilities of an institution's management. Coverage of excessive compensation to directors and officers of service corporations which are less than 50 percent owned would be deleted from the revised regulation because the Board also questions whether this coverage is warranted in view of the responsibilities of management to exercise supervision and independent judgment in this area. Section 563.17 would also be amended by revoking paragraph (b) thereof and by redesignating paragraph (a) thereof as

B. Revised § 563.34: Selection of depository. Section 563.34 would use the terms "affiliate" and "financial institution"; these terms were defined in § 563 .-33 and would have the same meanings in § 563.34. Section 563.34(a) also would define two additional terms for use therein. The term "depository", when used with respect to an insured institution, would mean any financial institution with which such insured institution maintains funds on deposit. An "interlock", would be deemed to exist between an insured institution and a depository whenever such depository is an affiliated person of such institution or whenever any director, officer or controlling person of such institution is a director or officer of such depository or of an affiliate of such depository.

Revised § 563.34(b) would prohibit an insured institution from establishing a depository relationship with a depository with which it has an interlock after the effective date of § 563,34 and would prohibit the maintenance of an existing depository relationship on and after January 1, 1976. An insured institution could request approval from the Corporation to establish or maintain a depository relationship not permitted by § 563.34(b). Any such request would have to be filed with the appropriate Supervisory Agent and in taking action on such a request the Corporation would consider (1) the size of the depository relative to the deposits maintained by such insured institution, (2) the degree of interlocking relationships, and (3) any other factor which is or may be detrimental to the institution or investors or depositors therein or borrowers therefrom.

Section 563.34 presently prohibits insured institutions, except with the prior written approval of the Corporation, from establishing depository relation-ships after July 1, 1972, but "grandfathers" such relationships existing on that date, unless specifically disapproved by the Corporation. Existing § 563.34 also permits an insured institution to seek approval to establish or maintain a relationship with a depository which would otherwise be prohibited and provides that Corporation approval will turn on the same considerations set forth in revised

§ 563.34(b). Revised § 563.34 also would differ from the existing provision in that an interlock is presently deemed to exist whenever any officer, director, or controlling person of an insured institution or attorney regularly serving the institution as an attorney-at-law, or a spouse of any of the foregoing, is an officer, partner, director or trustee of the depository or the owner of 10 percent or more of the depository's stock. The Board questions whether present § 563.34 may go too far in presuming the existence of an interlock solely or the ground that an attorney or the spouse of a director, officer or controlling person or attorney is a director, officer or controlling person of the depository. Revised § 563.34 would also delete the term "partner" in connection with the definition of an interlock because this term makes no sense; the term "trustee" is incorporated into the defi-

nition of "director" in new § 561.31.

II. Restrictions Concerning Affiliated Persons. A. New §§ 561.29, 561.30, 561.31 and 561.32: Definitions of Affiliated Person, Immediate Family, Director and Officer. New §§ 563.40, captioned Payment of fees to affiliated persons, 563.41, captioned Transactions with affiliated persons involving real property, and 563.43, captioned Loans involving affiliated persons, generally would involve restrictions on various activities of insured institutions in which "affiliated persons" are involved. New § 561.29 would define an affiliated person of an insured institution as: (1) any director, member of an advisory board of directors or advisory committee, officer or controlling person of such institution and any attorney regularly serving such institution as an attorneyat-law; (2) any member of the immediate family of any of the persons enumerated in (1); (3) any law firm regularly serving such institution; and (4) any corporation, partnership or trust in which the persons enumerated in (1), (2) and (3) have directly or indirectly (other than through an insured institution) a 10 percent or more equity or beneficial interest, either individually or collectively. An attorney or law firm would not normally be considered to be "regularly serving" an insured institution unless such attorney or firm serves as a principal counsel for such institution. Section 561.28 presently defines a "controlling person" of an insured institution as "any person or entity owning or holding ten percent or more of the stock or voting rights of such institution or otherwise having the power, directly or indirectly, to direct or cause the direction of the management or policies of the insured institution."

As discussed above, the terms "director" and "officer" would also be defined in conjunction with the definition of affiliated person. New § 561.31 would define the term "director" to mean "any director, trustee or other person performing similar functions with respect to any organization whether incorporated or unincorporated." New § 561.32 would define the term "officer" to mean "the chairman of the board (if salaried), the

president, any vice-president, the secretary, the treasurer, the principal financial officer, the comptroller, the principal accounting officer, and any other person perfoming similar functions with respect to any organization whether incorporated or unincorporated." When used with respect to an insured institution, the term "officer" would also include "any loan officer or branch manager, and any other person performing similar functions." These new definitions of director and officer would be applicable throughout the Insurance Regulations.

New \$ 561.30 would define the "immediate family" of any natural person as: (1) such person's father, mother, child, brother, sister or grandchild (whether by the full or half blood or by adoption); (2) such person's spouse; (3) the father, mother, brother or sister of such person's spouse (whether by the full or half blood or by adoption); and (4) the spouse of

any of the persons in (1).

The term "service corporation affiliate" is used throughout §§ 563.40, 563. 41 and 563.43. This term is presently defined in § 561.27 in terms of the § 561.25 definition of "affiliate", which is phrased in terms of 50 percent ownership.

B. New § 563.40: Payment of Fees to Affiliated Persons. New § 563.40(a), captioned Loan procurement fees, would prohibit an affiliated person of an insured institution from receiving, either directly or indirectly, any fee or other compensation in connection with the procurement of a loan from or by such institution or a service corporation affiliate thereof. Such fees could not be received by an affiliated person from the insured insti-

tution itself or from any other source. Section 545.6-10, captioned Initial loan charges, presently prohibits directors, officers and employees of a Federal association and persons or firms regularly serving such association as attorneys-atlaw from receiving loan procurement fees. The proposed amendments would revise this requirement in two respects and apply it to all insured institutions. First, § 563.40(a) would cover affiliated persons as opposed to only directors, officers and associated attorneys; however, 563.40 (a) does not prohibit the receipt of loan procurement fees by employees of an insured institution. Second. § 563.40(a) would apply to loans by service corporation affiliates of insured institutions as well as to the institutions themselves. The first sentence of § 545.6-10 would be deleted by the proposal because it is inconsistent with § 563.40(a).

New § 563.40(b), captioned Discounts, rebates or commissions, would prohibit an affiliated person of an insured institution from receiving, either directly or indirectly, any discount, rebate or commission on any initial loan charge which is paid by a borrower or any other person in connection with a loan made by such institution or a service corporation affiliate thereof. Section 563.40(b) would also provide that no insured institution or service corporation affiliate thereof may receive, either directly or indirectly, any such discount, rebate or commission unless such discount, rebate or commission

represents compensation for services actually performed.

With respect to initial loan charges, § 545.6-10 presently provides that borrowers from a Federal association may be required to pay necessary initial loan charges but prohibits directors, officers, employees and insider attorneys from receiving discounts, rebates or commissions on such initial loan charges. However, Federal associations are permitted to receive and retain such discounts, rebates and commissions in connection with services actually performed by their directors, officers, employees and Insider attorneys. New § 563.40 would extend the prohibition on the receipt of discounts, rebates and commissions to all affiliated persons, but not to employees, of all insured institutions. Section 563.40(b) would apply to loans by service corporation affiliates as well as to insured institutions. The provisions of § 545.6-10 concerning discounts, rebates and commissions on initial loan charges would be deleted by the proposal because they are inconsistent with § 563.40(b).

The third sentence of § 545.6-10 also requires an association to furnish a loan settlement statement to a borrower upon the closing of a loan. As this requirement is also set forth in § 563.17-1(c) (1) (viii), the third sentence of § 545.6-10 would be

deleted by the proposal.

In connection with these amendments to § 545.6-10, the reference in paragraph (a) of § 545.8, captioned Loans without requirement of security, to the first two sentences of § 545.6-10 would be deleted.

C. New § 563.41: Transactions With Affiliated Persons Involving Real Property. New § 563.41(a) would prohibit an insured institution or service corporation affiliate thereof from engaging in any transaction with an affiliated person involving the purchase or sale of an interest in real property.

The second sentence of paragraph (a) of § 545.6-5, captioned Purchase of loans, presently prohibits a Federal association from purchasing a loan from an affiliated institution and from directors, officers, employees and attorneys of such association. This provision is not as broad as new § 563.41(a) and the second sentence of § 545.6-5(a) therefore would be revoked by the proposed amendments.

New § 563.41(a) would also prohibit an insured institution or service corporation affiliate thereof from engaging in any transaction involving the lease of an interest in real property from an affiliated person. Insured institutions could continue to lease real property to affiliated persons without limitation. 563.41(b) would except leases by insured institutions and their service corporation affiliates which are in existence on the effective date of this regulation from the § 563.41(a) prohibition. However, with respect to renewals of such leases, said § 563.41(b) would further provide that no such lease may be renewed without prior Corporation approval and that no such approval will be granted unless its terms are fair. In addition, with respect to leases whose renewal terms would expire after January 1, 1980, an insured institution would also have to

show that there is no other suitable location for the office or that moving to a new location would cause undue hardship.

Section 545.10(b) of the Federal Regulations presently prohibits a Federal atsociation from acquiring real estate to be used for offices and related association facilities from some affiliated persons Said \$545.10(b) is thus less restrictive than § 563.41 and would therefore be revoked by the proposed amendments The reference in § 545.10(a) to § 545.10 (b) would be deleted and \$ 545.10(c) would be redesignated as § 545.10(b). Federal associations would of course be subject to applicable limitations in the Insurance Regulations.

D. New § 563.43: Loans and Loan Related Transactions Involving Affiliated Persons. New § 563.43(b) would prohibit an insured institution or service corporation affiliate thereof from making a loan to any affiliated person of such institution and from purchasing a loan made to any such person. Insured institutions and their service corporation affiliates would also be prohibited from investing in the securities of affiliated persons and from purchasing securities from an affiliated person under a repurchase

agreement.

Presently, \$ 545.6-8, cautioned Loans to directors, officers or employees, prohibits Federal associations from making loans (other than home loans) to directors, officers, employees and affiliated attorneys of such association and to partnerships and to partnerships in which any such person has a specified interest. Federal associations are also prohibited from making loans to corporations in which any such person has a specified interest unless the association obtains prior approval from its board of directors and the corporation to which the loan is made is not more than 15 percent owned by any such person and is not more than 25 percent owned by any such persons. New § 563.43(b) is different from § 545.6-8 in that it would not prohibit loans to employees but would prohibit loans to nonemployees other than those tlisted in § 545.6-8. Said § 545.6-8 therefore would be revoked by the proposal. Paragraph (a) of § 545.6-20, captioned Loans guaranteed under the Foreign Assistance Act of 1961, and § 545.8-3, captioned Insured loans for title purchase, permit Federal associations to make specific types of loans without regard to any other provision of Part 545 except § 545.6-8. These references to § 545.6-8 would be deleted in conjunction with the revocation of that section; however, Federal associations would of course be subject to applicable limitations in the Insurance Regulations.

Paragraph (b) of § 545.8, captioned Lands without requirement of security, presently permits Federal associations to make loans to directors, officers, employees and affiliated attorneys for the purpose of alteration, repair, improvement or equipping of a home or combination of home and business property owned and occupied, or to be owned and occupied, as a home by such persons. As § 545.8(b) is inconsistent with new

§ 563.43(b), it would be revoked by the same businesses listed in proposed proposal and § 545.8(a) would be re-

designated as § 545.8.

In addition to prohibiting insured institutions and their service corporation affiliates from making loans to affiliated persons, \$ 563.43(c) would prohibit the insured institutions and their service corporation affiliates from, either directly or indirectly, engaging in the following loan-related transactions involving affiliated persons: (1) making a loan to or purchasing a loan made to any third party (a) on the security of property acquired from any affiliated person of such institution, or (b) with the knowledge that all or any portion of the proceeds of such loan will be paid to or used for the benefit of any such affiliated person; (2) making a loan to or purchasing a loan made to any third party secured by real property with respect to which any affiliated person of such institution holds a security interest; (3) accepting the stock, bonds, notes or other securities of any affiliated person of such institution as security for a loan made by such institution or service corporation affiliate thereof to any third party; (4) maintaining a compensating balance with respect to a loan made by any third party to any affiliated person of such institution; and (5) entering into any guarantee arrangement or making any takeout commitment with respect to a loan made by any third party to any affiliated person of such institution.

Both \$\$ 563.43 (b) and (c) would be applicable to transactions by a subsidiary insured institution of a savings and loan holding company unless the provisions in § 584.3 are less restrictive. Section 563.43(a) would provide that in such event § 584.3 would be controlling with

respect to such transaction.

III. Restrictions Concerning Office Facilities. Paragraph (a) (1) of § 563.42, captioned Office facilities, would require each principal and branch office of an insured institution to be located in quarters which are independent of other financial institutions and their affiliates. The term "branch office", as used in \$ 563.42(a), would refer to any office of an insured institution (other than its principal office) at which savings account transactions are effected if the office occupies more than 500 square feet of floor space and has more than four teller stations which are operated by employees of such institution. The term "financial institution" and "affiliate" would have the same meanings as in proposed \$\$ 563.33(a) (1) and (2)—that is, savings and loan-type associations, mutual savings banks, commercial banks and trust companies and persons or companies which control, are controlled by or are under common control with such financial institutions, where control is defined in terms of 25 percent ownership.

Principal and branch offices of insured institutions would also be required to be independent of businesses-including service corporations-which are closely related to the savings and loan business. These closely related businesses are the

§ 563.33(b) (4).

The requirements of § 563.42(a) concerning the independence of office quarters would not affect the validity of any existing lease by or from an insured institution. However, an existing lease could not be renewed without prior written approval of the Corporation and approval would not be granted unless the renewal terms were fair.

With respect to such leases, § 563.42(a) also would provide that no such lease shall be renewed without the written approval of the Corporation and requires any request for such an approval to be filed with the appropriate Supervisory Agent, No such approval would be granted unless the terms of the lease were fair, regardless of when the renewal term would expire. The proposed regulation sets forth two further showingsone applicable to leases by an insured institution and the other to leases from an insured institution-with respect to all leases whose renewed terms would expire on or after January 1, 1978. An insured institution seeking approval to renew a lease from a lessor would be required to show that there is no other suitable location for the institution's office or that moving the office to another location would cause undue hardship. An institution seeking to renew a lease to a lessee would be required to show that there is either no other suitable location for the lessee, that moving to another location would cause undue hardship for the lessee, or that there is no other suitable lessee.

Section 563.42(b) would require the principal offices of all insured institutions to be on the ground floor. An insured institution could request permission to locate its principal office in nonground floor quarters, but no such approval would be given unless the quarters involved were the equivalent of ground floor (such as an elevated walkway) or the use of such quarters would not have an adverse effect on the insti-

tution.

IV. Restrictions Concerning the Payment of Legal Fees. Paragraph (a) of § 563.35, captioned Certain conditions prohibited, presently prohibits an in-sured institution, and a director, officer or employee thereof from granting any loan on condition that the borrower contract for any of the following services from any specific firm, agency or person: (1) insurance (except insurance or a guarantee provided by a government agency); (2) building materials; (3) legal services, including title examination, escrow and abstract services; and (4) services of a real estate agent or broker. Section 563.35(a) would be revised by adding construction services and sales or services related to mobile homes to this list.

Section 563.35(b) presently limits the application of \$563.35(a) by providing that the § 563.35(a) prohibition concerning insurance shall not be construed to prohibit an insured institution from refusing to grant any type of loan or extend any other service if the borrower wishes, in connection with such loan or service, to contract with or select a particular company, firm, agency or person whose services, in such connection, are believed by the insured institution on reasonable grounds to afford it insufficient protection. The proposal would amend paragraph (b) to refer to legal services as well as to insurance services.

New § 563.35(c) would require an insured institution to advise a borrower in writing reasonably in advance of the closing of a loan-but not later than the time of commitment to make such loanof his right to freely select the company or person rendering legal services and insurance services. This notice requirement would apply only to home loans. Section 541.10-2 defines a home as "real estate upon which is located one or more singlefamily dwellings, or dwelling units, for not more than 4 families in the aggre-

gate."

Existing § 563.35(c) provides that the § 563.35(a) legal services prohibition shall not be construed to prohibit an insured institution from requiring a borrower to pay an initial loan charge to reimburse such institution for legal services rendered to it by an attorney selected by such institution in connection with the processing and closing of a loan. Section 563.35(c) would be redesignated as § 563.35(d) and completely revised to prohibit an insured institution from requiring a home borrower to pay any part of the legal services (as set forth in § 563.35(a)(3)) performed in connection with the closing and processing of a loan unless such services were performed by a firm or person selected by the borrower. An insured institution could, of course, engage an attorney other than the attorney selected by the borrower. However, the institution could not charge the borrower for the services performed by such an additional attorney.

Accordingly, the Federal Home Loan Bank Board hereby proposes to amend Part 561 by adding \$\$ 561.29, 561.30, 561.31 and 561.32 thereto and to amend Part 563 by revising §§ 563.17, 563.34 and 563.35 thereof and by adding §§ 563.33, 563.40, 563.41, 563.42 and 563.43 thereto, as set forth below. The Federal Home Loan Bank Board hereby further proposes to amend Part 545 by revoking \$ 545.6-8 and by revising \$\$ 545.6-5(a), 545.6-10, 545.6-20(a), 545.8, 545.8-3 and 545.10 thereof, as set forth below. The Federal Home Loan Bank Board hereby withdraws Board Resolution Nos. 70-61,

70-63, 71-372 and 74-63.

Interested persons are invited to submit written data, views and arguments to the Office of the Secretary, Federal Home Loan Bank Board, 320 First Street, NW., Washington, D.C. 20552, by January 21, 1975, as to whether this proposal should be adopted, rejected, or modified. Written material submitted will be available for public inspection at the above address unless confidential treatment is requested or the material would not be made available to the public or otherwise disclosed under § 505.6 of the General

Regulations of the Federal Home Loan Bank Board (12 CFR 505.6).

Proposed revisions of Part 545:

1. § 545.6-5(a) is revised to read as

#### § 545.6-5 Purchase of loans.

(a) General provisions. A Federal association may purchase any loan that it may make, unless expressly prohibited by other provisions of this part, and may also purchase any insured loan secured by a home or combination of home and business property located outside of the State (including the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States) in which such association's home office is located at an investment not exceeding the sum of (1) \$55,000 for each singlefamily dwelling, or \$82,500 with respect to each such dwelling in Alaska, Guam or Hawaii; (2) an amount per dwelling unit within the limits sets forth in section 207(c) (3) of the National Housing Act, with such increases therein as may be made from time to time by the Federal Housing Commissioner in accordance therewith; and (3) the percentage of value acceptable to the insuring agency of such part of the property as is not attributable to dwelling use. If a Federal association increases its savings accounts as a part of the purchase of any loan, it shall obtain such approval as is required by the rules and regulations for insurance of accounts.

2. § 545.6-8 is revoked.

### § 545.6-8 [Revoked: effective:

3. § 545.6-10 is revised to read as follows:

### § 545.6-10 Initial loan charges.

Except as provided in § 563.35(d) of this chapter, borrowers may be required to pay the necessary initial charges in connection with the making of a loan, including the actual costs of title examination, appraisal, credit report, survey, drawing of papers, closing of the loan, and other necessary incidental services and costs in such reasonable amounts as may be fixed by the board of directors; such necessary initial charges may be collected by the association from the borrower and paid to the persons rendering such services.

4. The introductory text of § 545.6-20 (a) and (a) (3) are revised as follows:

#### \$ 545.6-20 Loans guaranteed under the Foreign Assistance Act of 1961.

(a) General. Without regard to the provisions of any other section of this part, a Federal association which has a charter in the form of Charter K (rev.) or Charter N may invest in any of the following loans, or any interest therein:

. (3) Loans having the benefit of any guaranty under sections 221 or 222 of such Act, as in effect on December 30. 1969, and thereafter.

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5. The introductory text of § 545.8(a) is revised and (b) revoked as follows:

§ 545.8 Loans without requirement of security.

(a) Without regard to any other provision of this part except § 545.6-10, any Federal association that has amended Charter K by the addition thereto of section 14.1 and any Federal association that has a charter in the form of Charter K (rev.) or Charter N may, upon adoption of such a loan plan by its board of directors, invest in loans of the following types, but no investment shall be made under this section if immediately after such investment the outstanding aggregate of all investments of the association made under this section would exceed 20 percent of the association's assets:

(b) [Revoked; effective:

6. § 545.8-3 is revised to read as fol-

#### § 545.8-3 Insured loans for title purchase.

Without regard to any other provision of this part, a Federal association which has a Charter in the form of Charter K (rev.) or Charter N may invest in loans, or interests therein, made for the purpose of financing the purchase by homeowners of the fee simple title to property on which their homes are located and as to which the association has the benefit of insurance under section 240 of the National Housing Act, as amended, or of a commitment or agreement for such

7. § 545.10 is revised to read as follows:

§ 545.10 Real estate for office and related facilities.

(a) A Federal association may invest in real estate (improved or unimproved) to be used for office and related facilities of the association, or for such office and related facilities and for rental or sale, if each such investment is made and maintained pursuant to a prudent program of property acquisition to meet either the association's present needs or its reasonable future needs for office and related facilities. Except with the prior approval of the Board, no such investment may be made before the Board has approved an application for the establishment or maintenance of an office facility at the location of such real estate or the change of an office facility to such location, if, as a result of such investment, the outstanding aggregate book value of all such investments made before such Board approval would exceed 25 percent of the association's net worth. Except with the prior approval of the Board, no such investment may be made before or after the Board has approved. an application, if any such application is required, for the establishment or maintenance of an office facility at the location of such real estate or the change of an office facility to such location, if, as a result of such investment, the outstanding aggregate book value of all such investments made before and after such

Board approval would exceed the associ. ation's net worth.

(b) Requests for Board approval of exceptions. Any request by a Federal association for Board approval of an exception to the limitations contained in this section shall be transmitted to the Supervisory Agent, with a copy thereof to the Director, Office of Examinations and Supervision, 320 First Street N.W., Washington, D.C. 20552. As used in this section, the term "Supervisory Agent" means the President of the Federal Home Loan Bank of which the Federal association is a member or any other officer or employee of such bank designated by the Board as its agent pursuant to § 501.11 of this chapter.

Proposed additions to Part 561: 918. Section 561.29 is added to read as

follows:

### § 561.29 Affiliated person.

An "affiliated person" of an insured institution refers to:

(a) Any director, member of an advisory board of directors or advisory committee, officer or controlling person of such institution and any attorney regularly serving such institution as an attorney-at-law;

(b) Any member of the immediate family of any of the persons enumerated in paragraph (a) of this section;

(c) Any law firm regularly serving

such institution; and

(d) Any corporation, partnership or trust in which the persons or companies enumerated in paragraphs (a), (b) and (c) of this section have, either directly or indirectly (other than through the insured institution), a 10 percent or more equity or beneficial interest, either individually or collectively.

9. Section 561.30 is added to read as

follows:

# § 561.30 Immediate family.

The "immediate family" of any nat-

ural person refers to: (a) Such person's father, mother, children, brothers, sisters and grand-children (whether by the full or half blood or by adoption);

(b) Such person's spouse;

(c) The father, mother, brothers and sisters of such person's spouse (whether by the full or half blood or by adoption);

(d) The spouse of any of the persons enumerated in paragraph (a) of this section.

10. Section 561.31 is added to read as follows:

#### § 561.31 Director.

The term "director" means any director, trustee or other person performing similar functions with respect to any organization whether incorporated or unincorporated.

11, Section 561.32 is added to read as follows:

### § 561.32 Officer.

The term "officer" means the chairman of the board of directors (if salaried), the president, any vice-president,

the secretary, the treasurer, the principal financial officer, the comptroller, the principal accounting officer, and any other person performing similar functions with respect to any organization whether incorporated or unincorporated. When used with respect to an insured institution, the term "officer" also means any loan officer or branch manager, and any other person performing similar functions for such institution.

Proposed revisions of Part 563: 12. Section 563.17 is revised to read as

§ 563.17 Management and financial policies.

For the protection of its insured members and other insured institutions. each insured institution and service corporation thereof shall maintain safe and sound management and shall pursue financial policies that are safe and consistent with the economical home financing and the purposes of insurance of accounts and are appropriate to their respective types of operations; in implementing this regulation the Corporation will take into consideration that service corporations may be authorized to engage in activities which involve a higher degree of risk than do activities permitted to insured institutions.

13. Section 563.33 is added to read as follows:

§ 563.33 Directors, advisory directors, officers and employees.

(a) Definitions. (1) Financial institution. As used in this section, the term "financial institution" means any savings and loan association, building and loan association, homestead association, cooperative bank, mutual savings bank, commercial bank or trust company.

(2) Affiliate. As used in this section, an "affiliate" of any financial institution means any person or company which controls, is controlled by or is under common control with, such financial in-

stitution.

(3) Control. As used in this section, a person or company will be deemed to have control of an entity if such person or company directly or indirectly or acting in concert with one or more other persons or companies, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than 25 percent of the voting shares or rights of such entity; or controls in any manner the election or appointment of a majority of the directors of such entity; or is a general partner in or has contributed more than 25 percent of the capital of such entity.

(4) Service corporation affiliate. As used in this section, the term "service corporation affiliate" has the meaning given it by §§ 561.25, 561.26, and 561.27

of this chapter.

(b) Directors. The composition of the board of directors of an insured institution shall be in accordance with the fol-

lowing requirements:

 The board of directors of an insured institution shall be composed of at least seven people.

(2) A majority of the directors of an insured institution shall live or work in one or more of the communities served by such institution.

(3) Not more than one-third of the directors of an insured institution shall be officers or employees of such institution or of any affiliate of such institution.

(4) Not more than one-third of the directors of an insured institution shall be significantly engaged, other than through an affiliate of such institution. in a business materially engaged in the following activities: underwriting, reinsuring, agency or brokerage services involving homeowners', credit life, credit health and accident, private mortgage or title insurance; consumer finance company activities; mobile home manufacturing or sales; building material or supply sales: real estate development or investment: building construction: real estate sales; property management; mortgage banking; appraisals; escrow, abstract or deed of trust services; and legal services performed by attorneys regularly serving such insured institution as attorneys-at-law. A director shall be deemed to be significantly engaged in a business if the director is an officer, employee, or general partner of the business or if the director has, either directly or indirectly, a 10 percent or more equity or beneficial interest in the business.

(5) A majority of the directors of an insured institution shall be persons who are not enumerated in paragraphs (b) (3) or (b) (4) of this section and who are not directors of any other financial institution or affiliate is such financial institution or affiliate is an affiliate of such insured institution.

(6) At least one third of the directors of an insured institution shall be persons who are not enumerated in paragraph (b) (3) of this section and who are not directors of any affiliate of such institution other than a service corporation.

(7) Not more than two directors of an insured institution shall be members of the same immediate family.

(8) Not more than one director of an insured institution shall be a member of

the same law firm.

(9) Not more than two directors of an insured institution shall be directors of any other financial institution or affiliate thereof, and such two directors shall not both be directors of the same other financial institution or affiliate thereof; except that this paragraph (b) (9) shall not apply to a financial institution or affiliate thereof if such financial institution or affiliate is an affiliate of such insured institution.

(10) No director of an insured institution shall be an officer or employee of any other financial institution or affiliate thereof; except that this paragraph (b) (10) shall not apply to a financial institution or affiliate thereof if such financial institution or affiliate is an affiliate of such insured institution.

(c) Officers. (1) Not more than two officers of an insured institution shall be

officers or employees of affiliates of such institution other than service corporations.

(2) No officer of an insured institution shall be an officer or employee of any other financial institution or affiliate thereof unless such financial institution or affiliate is an affiliate of such insured institution.

(d) Compliance. (1) Institutions operating under more restrictive provisions. Any insured institution presently operating pursuant to Conditions of Insurance containing a provision which is more restrictive than the corresponding provision in paragraphs (h) or (c) of this section shall continue to operate pursuant to such Conditions. However, such institution may request an amendment to such Conditions by filing an application with a Supervisory Agent of the Corporation at the Federal Home Loan Bank of the district in which such institution is located.

(2) Compliance dates. Any insured institution which is operating pursuant to Conditions of Insurance containing a provision which is less restrictive than the corresponding provision in paragraphs (b) or (c) of this section shall at least be in compliance with such less restrictive provision until its 1984 annual meeting. No person shall become a director of such insured institution after [effective date of regulation] if such person's directorship would result in a violation of such paragraphs (b) or (c). No director of such insured institution shall assume any new relationship with any person or entity after [effective date of regulation] if such new relationship would result in a violation of such paragraphs (b) or (c). Each insured institution shall be in compliance with such paragraphs (b) and (c) after its 1984 annual meeting. An insured institution shall also continue to comply with any provisions of any agreement with the Corporation not covered by such paragraphs (b) and (c),

(e) Other employment. No insured institution or service corporation affiliate thereof shall permit any officer or employee to work for any affiliated person of such institution during the hours of his employment by such institution or service corporation unless such affiliated person compensates such institution or service corporation for the time during which such officer or employee was en-

gaged in such work.

(f) Excess compensation. Compensation to directors, members of advisory boards of directors and advisory committees, and officers of each insured institution and any service corporation affiliate thereof shall not be in excess of that which is reasonable and commensurate with their duties and responsibilities. In determining whether the compensation of any such person is in excess of that which is reasonable and commensurate with his duties, the factors to be considered by the Corporation will include: (1) the compensation paid to other persons employed by such institution or service corporation; (2) the compensation paid to persons performing

similar duties in comparable insured institutions or service corporations; (3) the qualifications of such persons: (4) the size and complexity of such institution or service corporation: (5) the financial condition, income and growth record of such institution or service corporation: and (6) generally prevailing economic conditions.

14. Section 563.34 is revised to read as follows:

#### § 563.34 Selection of Depository.

(a) Definitions. (1) The term "affiliate" and "financial institution" as used in this section are defined in § 563.33(a).

(2) Depository. As used in this section, the term "depository", when used with respect to an insured institution, means any financial institution with which such insured institution maintains funds on deposit.

(3) Interlock. As used in this section, an "interlock" will be deemed to exist between an insured institution and a depository whenever such depository is an affiliated person of such institution or whenever any director, member of an advisory board of directors or advisory committee, officer or controlling person of such institution is a director or officer of such depository or of an affiliate of such depository.

(b) Restrictions. (1) Except with the prior written approval of the Corporation pursuant to paragraph (b)(2) of this section, no insured institution shall establish a depository relationship with a depository with which it has an interlock after [effective date of regulation] or maintain any such depository relationship in existence on such date after

January 1, 1976.

(2) An insured institution may request approva! from the Corporation to establish or maintain a depository relationship not permitted by paragraph (b) (1) of this section. Any such request shall be filed with a Supervisory Agent of the Corporation at the Federal Home Loan Bank of the district in which such institution is located. In taking action with respect to any such request, the Corporation will consider the size of the depository relative to the deposits maintained by such insured institution, the amount of the deposits relative to the size of such insured institution, the degree of interlocking relationships, and any other factor which may have a detrimental effect on the institution or investors or depositors therein or borrowers therefrom.

15. Section 563.35 is revised to read as follows:

### § 563.35 Certain conditions prohibited.

- (a) No insured institution or director, officer or employee thereof may grant any loan on the prior condition, agreement, or understanding that the borrower contract for any of the following with any specific company, firm, agency. or person:
- (1) Insurance (except insurance or a guaranty provided by a government agency);

- (2) Building materials or construction services.
- (3) Legal services, including title examination, escrow and abstract services; (4) Services of a real estate agent or

broker; and (5) Sales or services related to mobile

homes.

(b) Nothing in this section shall be construed to prohibit an insured institution from refusing to grant any loan if the borrower wishes, in connection with such loan, to select a particular company, firm, agency or person to perform the services set forth in paragraphs (a) (1) and (a) (3) of this section if such

institution on reasonable grounds believes that such services afford it insuffi-

cient protection.

(c) In connection with a loan on a home (as defined in § 541.10-2 of this chapter) by an insured institution, such institution shall advise the borrower in writing reasonably in advance of the closing of such loan (but not later than the time of the commitment to make such loan) of his right to freely select the company, firm, agency or person rendering the services set forth in paragraphs (a) (1) and (a) (3) of this section if any such services are to be performed.

(d) In connection with a loan on a home (as defined in § 541.10-2 of this chapter) by an insured institution, such institution shall not require the borrower to pay any part of the cost of the services set forth in paragraph (a) (3) of this section unless such services are performed by a firm or person freely selected by such borrower. However, if such institution desires to receive legal services, as set forth in paragraph (a) (3) of this section, in connection with the processing or closing of such a loan in addition to those performed by the firm or person so selected by the borrower, then such institution shall not require the borrower to pay for such additional legal services.

16. Section 563.40 is added to read as follows:

#### § 563.40 Payment of Fees to Affiliated Persons.

- (a) Loan procurement fees. No affiliated person of an insured institution may receive, directly or indirectly, from such institution or from any other source any fee or other compensation of any kind in connection with the procurement of any loan from or by such insured institution or service corporation affiliate thereof.
- (b) Discounts, rebates and commissions. No affiliated person of an insured institution may receive, directly or indirectly, any discount, rebate or commission on any initial loan charge which is paid by a borrower (or any other person) in connection with a loan made by such institution or service corporation affiliate thereof. No insured institution or service corporation affiliate thereof may receive, directly or indirectly, any such discount, rebate or commission unless such discount, rebate or commission represents compensation for services actually performed.

17. Section 563.41 is added to read as follows:

#### § 563.41 Transactions with affiliated persons involving real property.

- (a) Prohibition. Except as provided in paragraph (b) of this section, no in. sured institution or service corporation affiliate thereof shall engage, either directly or indirectly, in any transaction with an affiliated person of such institution involving the purchase or sale of an interest in real property from an affiliated person of such institution a the lease of an interest in real proper from an affiliated person of such institution.
- (b) Exception for office building lease The prohibition set forth in paragraph (a) of this section does not affect the validity of any lease by an insured institution or service corporation affiliate thereof of property on which such institution or service corporation maintain an office if such lease is in existence on [effective date of regulation]. However, no such lease shall be renewed without the prior written approval of the Corporation and any request for any such approval shall be filed with a Supervisory Agent of the Corporation at the Federal Home Loan Bank of the district in which such institution or service corporation is located. No such Corporation approval will be granted without a showing by the insured institution or service corporation that the terms of such renewal are fair. If such lease, as so renewed, would expire on or after January 1, 1980, such institution or service corporation shall also show that there is no other suitable location for the office or the moving to another location would cause undue hardship.

18. Section 563.42 is added to read as follows:

§ 563.42 Office facilities.

(a) Independent quarters. (1) Requirements. Each principal or branch office of an insured institution shall be located in quarters which are independent of other financial institutions and affiliates thereof (as defined in \$\$ 563.33-(a) (1) and (2), and the types of bush nesses described in § 563.33(b)(4)), For purposes of this section, the term "branch office" shall refer to any office of an insured institution (other than its principal office) at which savings account transactions are effected if the office occupies more than 500 square feel of floor space and has more than four teller stations operated by employees of such institution.

(2) Exception for existing leases. The requirement set forth in paragraph (a) (1) of this section does not affect the validity of any lease by or from an insured institution which is in existence on [effective date of regulation]. However, no such lease shall be renewed without the prior written approval of the Corporation and any request for any such approval shall be filed with a Stpervisory Agent of the Corporation at the Federal Home Loan Bank of the district in which such institution is located. No such Corporation approval will be granted without a showing by the insured institution that the terms of such renewal are fair. If such a lease by an insured institution, as so renewed, would expire on or after January 1, 1978, then such institution shall also show that there is no other suitable location for the office or that moving to another iocation would cause undue hardship. If such a lease from an insured institution, as so renewed, would expire on or after January 1, 1978, then such institution shall also show that there is no other suitable location for the lessee, the moving to another location would cause undue hardship for such lessee, or that there is no other suitable lessee.

(b) Ground floor quarters. Except with the prior written approval of the Corporation, the principal office of an insured institution shall be located in ground floor quarters on and after January 1, 1978. Any request for approval of any quarters which are not ground floor shall be filed with a Supervisory Agent of the Corporation at the Federal Home Loan Bank of the district in which such institution is located. No such Corporation approval will be granted without a showing by the insured institution that such quarters are the equivalent of ground floor quarters or that the use of such quarters will not have any adverse effect on such institution.

19. Section 563,43 is added to read as follows:

§ 563.43 Loans involving affiliated per-

(a) Scope of section. To the extent that any provision of this section is less restrictive than any corresponding provision of § 584.3 of this chapter relating to a transaction by a subsidiary insured institution of a savings and loan holding company, the provisions contained in said § 584.3 shall control with respect to such transaction.

(b) Prohibitions concerning transactions with affiliated persons. No insured institution or service corporation affiliate thereof shall, either directly or indirectly, make a loan to any affiliated person of such institution or purchase

such a loan.

(1) No insured institution or service corporation affiliate thereof shall invest, either directly or indirectly, in the stock, bonds, notes or other securities of any affiliated person of such institution.

(2) No insured institution or service corporation affiliate thereof shall, either directly or indirectly, purchase securities under a repurchase agreement from any affiliated person of such institution.

(c) Prohibitions concerning transactions with third persons. No insured institution or service corporation affiliate thereof shall, either directly or indirectly:

(1) Make a loan to, or purchase a loan made to, any third party (i) on the security of property acquired from any affiliated person of such institution, or (ii) with the knowledge that all or any portion of the proceeds of such loan will be paid to or used for the benefit of any such affiliated person;

(2) Make a loan to, or purchase a loan made to, any third party secured by real property with respect to which any affiliated person of such institution holds a

security interest;

(3) Accept the stock, bonds, notes or other securities of any affiliated person of such institution as security for a loan to any third party made or purchased by such institution or service corporation affiliate thereof;

(4) Maintain a compensating balance with respect to a loan made by any third party to any affiliated person of such institution; or

(5) Enter into any guarantee arrangement or make any takeout commitment with respect to a loan made by any third party to any affiliated person of such institution.

(Secs. 402, 403, 407, 48 Stat. 1256, 1257, 1260, as amended; 12 U.S.C. 1725, 1726, 1730. Sec. 5, 48 Stat. 132, as amended; 12 U.S.C. 1464. Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1943-48 Comp., p. 1071)

By the Federal Home Loan Bank Board.

[SEAL] GRENVILLE L. MILLARD, Jr., Assistant Secretary.

[FR Doc.74-28461 Filed 12-4-74;8:45 am]

# notices

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

# DEPARTMENT OF JUSTICE

Law Enforcement Assistance Administration

### PRIVATE SECURITY ADVISORY COUNCIL Change in Agenda

Notice is hereby given that discussion on the proposed model statute relating to the regulation of the private security guard industry, which was previously an-nounced to be held during the Private Security Advisory Council conference in Williamsburg, Virginia, December 11-13, has been cancelled. Discussion of all other topics will still be held as announced.

> GERALD YAMADA. Attorney-Advisor. Office of General Counsel.

[FR Doc.74-28587 Filed 12-4-74;10:59 am]

# DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs INDIAN TRIBES PERFORMING LAW AND ORDER FUNCTIONS

Notice of Determination-Amendment

NOVEMBER 27, 1974.

This notice is published in exercise of authority delegated by the Secretary of the Interior te the Commissioner of Indian Affairs by 230 DM 2.

Section 601(d), Title 1 of the Omniof 1968, Pub. L. 90-351, places responsibility on the Secretary of the Interior to determine those Indians tribes which perform law and order functions. The listing published beginning on page 13758 of the May 25, 1973, Federal Register (38 FR 13758) identified all eligible Indian tribes and the specific law and order functions they have responsibility to exercise. Determination concerning Indian tribes not listed are made on an individual basis upon application by such tribes under provisions of the act of the Law Enforcement Assistance Administration, Department of Justice. The Secretary's authority to make such determinations was delegated to the Commissioner of Indian Affairs by 230 DM 1.

It has been determined by the Commissioner of Indian Affairs that the Puvallup Tribe of Washington has responsibility for exercising all of the six law and order functions shown in the published listing.

ning on page 13758 of the May 25, 1973, FEDERAL REGISTER (38 FR 13758) is amended by revising the entry for the Puyallup Tribe of Washington to read as follows:

bus Crime Control and Safe Streets Act

Therefore, the listing published begin-

way rights-of-way or material sites afforded by section 24 of said Act.

The lands shall immediately become available for consummation of a pending Forest Exchange S 5295. Inquiries concerning the lands should be addressed to the Bureau of Land Management, Room E-2841, Federal Office Building, 2800 Cottage Way, Sacra-

mento, California 95825. WALTER F. HOLMES, Chief, Branch of Lands and Minerals Operations.

The area described aggregates 2.11

The State of California has waived its

preference right of application for high-

acres in Trinity County, California.

[FR Doc.28372 Filed 12-4-74;8:45 am]

### LANDER DISTRICT ADVISORY BOARD Notice of Meeting

NOVEMBER 27, 1974.

Notice is hereby given that the Lander District Advisory Board will hold a Protest Meeting December 19, 1974, at 9 a.m. in the Conference Room of the Bureau of Land Management, Lander, Wyoming. The agenda for the meeting will include Federal Advisory Committee Act, hearing of protests, Advisory Board Funds, Range Improvements, Grazing Fees, and Wild Horse Program.

The meeting will be open to the public as space is available. Time will be available for a limited number of brief statements by members of the public. Those wishing to make an oral statement should inform the Advisory Board Chairman prior to the meeting of the Board. Any interested person may file a written statement with the Board for its consideration.

Written statements and requests to appear before the Board should be submitted to Herschel Griffin, Chairman, c/o Area Manager, Lander Resource Area, Bureau of Land Management, Lander, Wyoming 82520.

MARLOW E. KINCH, Acting District Manager. [FR Doc.74-28374 Filed 12-4-74;8:45 am]

[NM 23954, 23959]

**NEW MEXICO** Notice of Applications

NOVEMBER 26, 1974.

Notice is hereby given that, pursuant to section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), as amended by the Act of November 16, 1973 (87 Stat. 576), El Paso Natural Gas Company has applied for four 41/2-inch natural gas

Tribal entities recognized by Federal Government by State	To employ tribal police	To establish a tribal court	To adopt a tribal law and order code	To undertake correction functions	To undertake programs aimed at preventing adult and juvenile delinquency	To undertake adult and juvenile rehabili- tation programs
Washington: Puyallup	×	×	×	×	×	~

RAYMOND V. BUTLER, Acting Deputy Commissioner of Indian Affairs.

[FR Doc.74-28383 Filed 12-4-74;8:45 am]

**Bureau of Land Management** [CA 364]

CALIFORNIA

Order Providing for Opening of Public Lands

NOVEMBER 29, 1974.

Pursuant to the vacating order of the Federal Power Commission (38 FR 35536-37 (December 28, 1973)), and by virtue of the authority contained in section 24 of the Act of June 10, 1920 (41 Stat. 1075; 16 U.S.C. 818) as amended, and in accordance with the authority redelegated to me by the State Director.

California State Office, Bureau of Land Management, effective January 12, 1972 (37 FR 491) it is ordered as follows:

1. The Commission finds that the withdrawal for Project No. 1935 serves no useful purpose and orders the withdrawal of the following described land pursuant to the application for Project No. 1935. vacated in its entirety. The area described below is hereby restored to such disposition as may be made of national forest land.

MOUNT DIABLO MERIDIAN

T. 35 N., R. 8 W.,

Sec. 4, as to that portion of the Sia lying within 15 feet of the center line of the dam and ditch, and 10 feet from high water of the reservoir as shown on a map designated "Exhibit K" entitled "Power Project of Covington Lumber Company and filed in the office of the Federal Power Commission on May 19, 1945.

pipelines rights-of-way across the following lands:

New Mexico Principal Meridian, New Mexico T. 24 S., R. 26 E.,

Sec. 1, SW1/4 NW1/4. T. 20 S., R. 29 E.,

Sec. 9, W% NEW: S%NWW.

These pipelines will convey natural gas across .986 miles of national resource lands in Eddy County, New Mexico.

The purpose of this notice is to inform the public that the Bureau will be proceeding with consideration of whether the applications should be approved, and if so, under what terms and conditions.

Interested persons desiring to express their views should promptly send their name and address to the District Manager, Bureau of Land Management, P.O. Box 1397, Roswell, NM 88201.

> FRED E. PADILLA, Chief, Branch of Lands and Minerals Operations.

[FR Doc.74-28381 Filed 12-4-74;8:45 am]

[NM 23960]

**NEW MEXICO** 

Notice of Application

NOVEMBER 27, 1974.

Notice is hereby given that, pursuant to Section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), as amended by the Act of November 16, 1973 (87 Stat. 576), El Paso Natural Gas Company has applied for two 41/2-inch natural gas pipelines rights-of-way across the following lands:

NEW MEXICO PRINCIPAL MERIDIAN, NEW MEXICO

T. 20 S., R. 28 E. Sec. 14, 5% NW%;

Sec. 15, S1/2 NE1/4. These pipelines will convey natural gas

across .750 miles of national resource lands in Eddy County, New Mexico. The purpose of this notice is to inform the public that the Bureau will be proceeding with consideration of whether the application should be approved, and

if so, under what terms and conditions. Interested persons desiring to express their views should promptly send their name and address to the District Manager, Bureau of Land Management, P.O. Box 1397, Roswell, NM 88201.

> FRED E. PADILLA, Chief, Branch of Lands and Minerals Operations.

[FR Doc.74-28379 Filed 12-4-74;8:45 am]

[NM 23618]

**NEW MEXICO** 

Notice of Application

NOVEMBER 26, 1974.

Notice is hereby given that, pursuant to section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), as amended by the Act of November 16, 1973 (87 Stat. 576), El Paso Natural Gas Company has applied for a 41/2-inch natural gas pipeline right-of-way across the following lands:

NEW MEXICO PRINCIPAL MERIDAN. New Mexico

T. 29 N., R. 8 W., Sec. 18, E%S%.

This pipeline will convey natural gas across .176 miles of national resource lands in San Juan County, New Mexico.

The purpose of this notice is to inform the public that the Bureau will be proceeding with consideration of whether the application should be approved, and if so, under what terms and conditions.

Interested persons desiring to express their views should promptly send their name and address to the District Manager, Bureau of Land Management, 3550 Pan American Freeway, Albuquerque, NM 87107.

FRED E. PADILLA, Chief, Branch of Lands and Minerals Operations.

[FR Doc.74-28380 Filed 12-4-74;8:45 am]

[NM 23663]

**NEW MEXICO** 

**Notice of Application** 

NOVEMBER 29, 1974.

Notice is hereby given that, pursuant to section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), as amended by the Act of November 16, 1973 (87 Stat. 576), Natural Gas Pipeline Company of America has applied for a natural gas meter site right-of-way across the following lands:

> NEW MEXICO PRINCIPAL MERIDAN, NEW MEXICO

T. 21 S., R. 29 E., Sec. 35, Lot 3.

This 3-inch metering facility is for the measurement of natural gas and will occupy .03 acres of national resource lands in Eddy County, New Mexico.

The purpose of this notice is to inform the public that the Bureau will be proceeding with consideration of whether the application should be approved, and if so, under what terms and condi-

Interested persons desiring to express their views should promptly send their name and address to the District Manager, Bureau of Land Management, P.O. Box 1397, Roswell, NM 88201.

EDDIELINDA T. SENA, Acting Chief, Branch of Lands and Minerals Operations. [FR Doc.74-28378 Filed 12-4-74; 8:45 am]

PINEDALE GRAZING DISTRICT ADVISORY BOARD

Notice of Meeting

NOVEMBER 27, 1974.

Notice is hereby given that the Pinedale Grazing District Advisory Board will meet at 10 a.m., December 19, 1974, at the Bureau of Land Management Office, Molyneux Building, Pinedale, Wyoming. The agenda will include protests, a discussion with the 40-Rod Allotment users and consideration of the range improvement program.

The meeting will be open to the public as space is available. Interested parties will be permitted to appear before the Board or file a written statement for its consideration. Those wishing to appear before the Board must inform the Chairman in writing prior to the meeting.

Written statements and requests to appear before the Board should be submitted to Albert P. Sommers, Chairman, c/o Area Manager, Bureau of Land Management, P.O. Box 768, Pinedale, Wyoming 82941.

> HAROLD G. STINCHCOMB, Assistant District Manager.

[FR Doc.74-28376 Filed 12-4-74:8:45 am]

#### ROCK SPRINGS DISTRICT ADVISORY BOARD

Notice of Meeting

NOVEMBER 27, 1974.

Notice is hereby given that the Rock Springs District Advisory Board will meet at 9:30 a.m., December 17, 1974, at the Holiday Inn, 1675 Dewar Drive, Rock Springs, Wyoming. The agenda will include protests on their original recommendations concerning grazing applications and consideration of the range improvement program.

The meeting will be open to the public as space is available. Time will be available for a limited number of brief statements by members of the public. Those wishing to make an oral statement should inform the Advisory Board Chairman prior to the meeting of the Board. Any interested persons may file a written statement with the Board for its consideration.

Written statements and requests to appear before the Board should be submitted to John W. Hay, Jr., Chairman, c/o District Manager, Bureau of Land Management, P.O. Box 1869, Rock Springs, Wyoming 82901.

HAROLD G. STINCHCOMB, Assistant District Manager. [FR Doc.74-28377 Filed 12-4-74;8:45 am]

> [UTAH 28797] UTAH Closure of Lands

Notice is hereby given that effective December 10, 1974 the Bureau of Land Management closes to all forms of motorized vehicle use the national resource lands (public lands) lying immediately north of the town of Hildale, Utah, and south of Springdale, Utah, known as Canan Mountain, Lower Mountain, South Mountain (sometimes called Ghost or Oliver Mountain) and portions of South Creek. This is in accordance with the provision of 43 CFR, Subpart 6292. The landing of aircraft may be permitted by the District Manager for emergency or special administrative purposes.

The objective of the restriction of the use of motorized off-road vehicles is to prevent loss of primitive, outstanding

scenic, and other environmental resource values.

The legal description of this area is:

SALT LAKE MERIDIAN, UTAH

T. 42 S., R. 91/2 W., Portions of Sections 18, 19, and 30.

T. 42 S., R. 10 W.,

All of Sections 13, 14, 15, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 33, 34, and 35; Portions of Sections 17, 18, 19, 30, and 31.

42 S., R. 11 W., Portions of Sections 21, 22, 23, 26, 27, 34 and 35

T. 43 S., R. 91/2 W.,

Portions of Section 7.

T. 43 S., R. 10 W.,

All of Sections 1, 3, 4, 5, 6, 9, 10, 11, 12, and 15:

Portions of Sections 7, 8, 13, 14, 17, 20, 21, 22, 23, 27, 28 and 29.

T. 43 S., R. 11 W., All of Section 1:

Portions of Sections 11 and 12.

Total 26.816 acres.

The boundaries of the area are posted on maps of the area which can be seen at the Kanab District Office, Bureau of Land Management, 320 N. 1st E., Kanab. Utah; at the Cedar City District Dixie Resource Area Office, Room 38 Federal Bldg., St. George, Utah; and on file in the Bureau of Land Management State Office, Federal Bldg., 125 S. State St., Salt Lake City, Utah.

> PAUL L. HOWARD, State Director.

[FR Doc.74-28375 Filed 12-4-74;8:45 am]

[Utah-28615]

### UTAH

#### Notice of Application

Notice is hereby given that pursuant to Section 28 of the Mineral Leasing Act of 1920, as amended (30 U.S.C. 185), the Exxon Corporation has applied for a gas transmission pipeline right-of-way across the following lands:

T. 10 S., R. 17 E., SL Meridian, Utah Sec. 29, SW 1/4 NW 1/4, SW 1/4.

The pipeline will convey gas from Exxon No. 1 Wilkin Unit well to an existing gas sales line.

The purpose of this notice is to inform the public that the Bureau will be proceeding with the preparation of environmental and other analyses necessary for determining whether the application should be approved, and if so, under what terms and conditions.

Interested persons should express their interest and views to the Vernal District Manager, Bureau of Land Management, 91 West Main Street, P.O. Box F, Vernal. Utah 84078.

[SEAL]

PAUL L. HOWARD. State Director.

NOVEMBER 27, 1974.

[FR Doc.74-28382 Filed 12-4-74;8:45 am]

Bureau of Reclamation [Notice No. 91]

YUMA IRRIGATION PROJECT, ARIZONA-CALIFORNIA RESERVATION DIVISION. CALIFORNIA

Public Notice of Annual Operation and Maintenance Charges and Annual Water **Rental Charges** 

NOVEMBER 15, 1974.

1. Annual Operation and Maintenance Charges for Lands Under Public Notice, Reservation Division: The minimum annual operation and maintenance charge for calendar year 1975 and thereafter until further notice against all lands of the Reservation Division under Public Notice shall be \$19.50 per irrigable acre, whether water is used or not, payment of which will entitle the water user (may be landowner, lessee, and/or water right applicant or holder) to 8 acre-feet of water per acre on certain sandy areas shown on the list attached to Public Notice No. 72, dated December 1, 1955, as amended February 16, 1956, and to 5 acre-feet of water per irrigable acre on all other lands of the Division under Public Notice. Additional water, if available, will be furnished at the rate of \$5.00 per acre-foot payable in advance. Credit equivalent to the amount paid for additional water unused prior to the end of any calendar year will be applied against the minimum charges for water for the following calendar year. No credit will be given for water purchased during any calendar year at the minimum charge but undelivered at the end of said calendar year. The minimum annual operation and

maintenance charge per calendar year for each parcel of land under Public Notice containing less than 1 acre shall be

\$19.50.

Where in the opinion of the Project Manager, Yuma Projects Office, it may be done without interference with other project requirements, upon written request filed in advance by a water user who is not delinquent in the payment of any operation and maintenance charges, water will be furnished free of charge for reclaiming lands by the usual methods; Provided, however, That lands for which free water was served during the preceding calendar year will not again be served free water in the absence of evidence satisfactory to the Project Manager that although the water so served free of charge during such preceding year was applied to the lands in sufficient quantities over a period of not more than 3 months, the results accomplished during such preceding year were not satisfactory.

All minimum annual operation and maintenance charges shall be due and payable on January 1, 1975, and on January 1 of each year thereafter.

2. Annual Water Rental Charges for Other Lands, Reservation Division: Irrigation water will be furnished during the calendar year 1975 and thereafter until further notice for lands in the Reservation Division not under Public Notice which can be irrigated from the present distribution system without further construction expense by the Bureau, upon a rental basis under approved applications at the following rates:

The minimum annual charge shall be \$19.50 per irrigable acre, payment of which will entitle the applicant to 8 acre-feet of water per acre on certain sandy areas listed in Public Notice No. 86, Supplement No. 1. dated July 10, 1970, and to 5 acre-feet of water per irrigable acre on all other lands in the Division not under Public Notice.

B. Additional water, if available, will be furnished at the rate of \$5.00 per acre-foot.

All charges shall be payable in advance of the delivery of water. Credit will be given for additional water paid for but not used.

3. Damages and Termination of Water Deliveries: Upon failure of any water user in the Reservation Division, including for purposes of this paragraph only, lessees of Indian lands, to comply with the regulations for ordering and delivery of irrigation water in the Division, or to pay any bill rendered by the United States for costs of extra maintenance of or repairs to the irrigation and drainage systems of the Reservation Division of the Yuma Project which are required as a result of faulty irrigation practices of the water user, all as established and determined by the Project Manager after consultation with the water user, the United States reserves the right to withhold the delivery of water to the lands of any water user who is in default thereof, or to stop the delivery of water thereto if water is being so delivered during any period in which said user is in violation of the provisions of the regulations, or has failed to pay said bills.

4. Penalties: On all payments not made on or before the due dates, there shall be added on the following day a penalty of one-half of one percent of the amount unpaid and a like penalty of onehalf of one percent of the amount unpaid on the first day of each calendar month thereafter so long as such default shall

continue

5. Place of Payment: All payments should be made to the Bureau of Reclamation, Office of Project Manager, Yums Projects Office, Yuma, Arizona, or mailed to Bureau of Reclamation, P.O. Bin 5569, Yuma, Arizona 85364.

(Act of June 17, 1902, 32 Stat. 388, as amended or supplemented)

> M. LOPEZ, Jr., Acting Regional Director.

[FR Doc.74-28384 Filed 12-4-74;8:45 am]

National Park Service MINUTE MAN NATIONAL HISTORICAL PARK ADVISORY COMMISSION

Notice is hereby given in accordance with the Federal Advisory Committee Act

that a meeting of the Minute Man National Historical Park Advisory Commission will be held, commencing at 11a.m. on Thursday, December 19, 1974, in the former Park Headquarters building on Route 2A in Lincoln, Massachusetts.

The Commission was established by Pub. L. 86-321 to advise the Secretary of the Interior on the development of

Minute Man National Historical Park. The members of the Advisory Commission are as follows:

The Honorable P. Bradford Morse, Chairman New York, New York,

Mr. James DeNormandie Lincoln, Massachusetta

Mr. Prancis S. Moulton, Jr.

Concord, Massachusetta Mr. Donald E. Nickerson

Lexington, Massachusetts Mr. Katharine S. White Lincoln, Massachusetts

At this meeting, reports will be submitted by the Superintendent and Land Acquisition Officer on Park Operations and Land Acquisition Activities since the last Commission meeting, Also, Park preparations for the Bicentennial Celebrations, 1975/76 will be discussed.

The meeting will be open to the public. However, facilities and space are limited and it is expected that not more than 35 persons will be able to attend. Any member of the public may file with the Commission a written statement concerning

the matters to be discussed.

Persons wishing further information concerning this meeting, or who wish to submit written statements may contact David L. Moffitt, Superintendent, Minute Man National Historical Park, at 617-369-6993. Minutes of the meeting will be available for public inspection four weeks after the meeting at the office of the Superintendent.

> JERRY D. WAGERS. Regional Director, North Atlantic Region, National Park Service.

NOVEMBER 27, 1974.

[FR Doc.74-28474 Filed 12-4-74;8:45 am]

#### Office of the Secretary DONALD B. GREGG

#### Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

- (1) No change.
- (2) No change.
- (3) No change.
- (4) No change.

This statement is made as of October 14. 1974.

Dated: November 13, 1974.

DONALD B. GREGG.

[FR Doc.74-28388 Filed 12-4-74:8:45 am]

#### EDWARD GLASS

#### Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28. 1955, the following changes have taken place in my financial interests during the past six months:

- (1) No change.
- (2) No change (3) No change
- (4) No change

This statement is made as of November 1, 1974.

Dated: November 1, 1974.

EDWARD GLASS

[FR Doc 74-28387 Filed 12-4-74;8:45 am]

#### GARY E. ADAMS

#### Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

- (1) No change.
- (2) No change.
- (3) No change.
- (4) No change

This statement is made as of October 28, 1974.

Dated: October 28, 1974.

GARY E. ADAMS.

[FR Doc.74-28385 Filed 12-4-74; 8:45 am]

#### JOHN ROLFING

#### Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

- (1) No change.
- (2) No change.
- (3) No change.
- (4) No change.

This statement is made as of October 30, 1974.

Dated: October 30, 1974.

JOHN ROLFING.

[FR Doc.74-28391 Filed 12-4-74:8:45 am]

#### MARTIN T. QUIGLEY

#### Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months;

- (1) No change
- (2) I now own 510 shares of common stock in the Potomac Electric Power Company of Washington, D.C.
  - (3) No change. (4) No change.

This statement is made as of Wednesday.

Dated: November 6, 1974.

MARTIN J. QUIGLEY.

[FR Doc.74-28392 Filed 12-4-74;8:45 am]

#### NICHOLAS A. RICCI

#### Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

- (1) No change
- (2) Delete: Industrial National Corp. Add: Velcro Industries, Northwest Industries.
  - (3) No change.

(4) No change

This statement is made as of October 31, 1974.

Dated: October 31, 1974.

NICHOLAS A. RICCL

[FR Doc.74-28390 Filed 12-4-74 8:45 am ]

#### WILLIAM A. DAVIS

#### Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b)(6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests during the past six months:

- (1) No change (2) No change
- (3) No change
- (4) No change

This statement is made as of October 29, 1974.

Dated: October 29, 1974.

WILLIAM A. DAVIS.

[FR Doc.74-28386 Filed 12-4-74;8:45 am]

#### DEPARTMENT OF THE TREASURY

**Customs** Service

[T.D. 74-297]

# FOREIGN CURRENCIES

Rates of Exchange Certified

NOVEMBER 25, 1974.

The Federal Reserve Bank of New York, pursuant to section 522(c), Tariff Act of 1930, as amended (31 U.S.C. 372(c)), has certified the following rates of exchange which varied by 5 per centum or more from the quarterly rate published in Treasury Decision 74–264 for the following countries. Therefore, as to entries covering merchandise exported on the dates listed, whenever it is necessary for Customs purposes to convert such currency into currency of the United States, conversion shall be at the following daily rates:

Austria schilling:	
Nov. 15, 1974	\$0.0560
Germany deutsche mark:	
Nov. 14, 1974	. 3970
Nov. 15, 1974	.3987
Malaysia dollar:	
Nov. 15, 1974	. 4365
Switzerland franc:	
Nov. 14, 1974	.3662
Nov. 15, 1974	. 3690

[SEAL]

R. N. Marra,
Director,
Duty Assessment Division.

[FR Doc.74-28451 Filed 12-4-74;8:45 am]

# DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection
Service

# VIRUSES, SERUMS, TOXINS, AND ANALOGOUS PRODUCTS

Amendment to Notice of Reevaluation of Biological Products

On Wednesday, November 6, 1974, a notice was published in the Federal Register, Volume 39, No. 215, page 39299, pertaining to replacement of Mixed Bacterins and Bacterial Antiserums with biological products to be prepared with one or more of seven micro-organisms specified in the fourth paragraph of the notice. The seven biological products which would be acceptable as replacement products were listed in the ninth paragraph of the notice.

Numerous combinations of immunogenic fractions may be prepared with the seven micro-organisms specified in the November 6, 1974 notice. The biological products listed were intended as examples and not as the only products which would be acceptable. This notice is to clarify such intent by amending the notice of November 6, 1974, to delete the enumerated list of biological products in the ninth paragraph and rewording the eighth paragraph to clarify the type of biological products which may be prepared with the seven micro-organisms.

The notice of November 6, 1974, is hereby amended by deleting the ninth paragraph and revising the eighth paragraph to read:

Each licensee holding a product license for a "Mixed Bacterin" or a "Bacterial Antiserum" shall submit such license to Veterinary Services for termination. A licensee may submit for consideration an application for a new product license authorizing the preparation of a bacterin or antiserum, as the case may be, using either one or more of the seven micro-organisms specified in the fourth paragraph of this notice. An application for the use of one or more of the seven micro-organisms in com-

bination with other acceptable microorganisms may also be submitted for consideration.

Effective date. This notice takes effect December 6, 1974, to conform with the November 6, 1974, notice.

Deputy Administrator, Veterinary Services, Animal and Plant Health Inspection Service.

[FR Doc.74-28457 Filed 12-4-74;8:45 am]

Food and Nutrition Service [FSP No. 1975-1.1, Amdt. 391

#### FOOD STAMP PROGRAM

Maximum Monthly Allowable Income Standards and Basis of Coupon Issuance

#### Correction

In FR Doc. 74–26883 appearing at page 40520 in the issue of Monday, November 18, 1974 the seventh, eighth, and ninth figures in the 8 person column under the monthly purchase requirement heading reading "16, 26, 22" should read "19, 22, 26".

## Forest Service

# UMPQUA NATIONAL FOREST Availability of Final Environmental

Statement

Pursuant to section 102(2) (C) of the National Environmental Policy Act of 1969, the Forest Service, Department of Agriculture, has prepared a final environmental statement for the Williams Creek and Cougar Bluffs Roadless Areas, Umpqua National Forest, Oregon USDA-FS-R-6-FES-(Adm)-74-9.

The environmental statement concerns a proposal for management direction of two roadless areas within the Umpqua National Forest, Douglas County, State of Oregon.

This final environmental statement was transmitted to CEQ on November 25, 1974.

Copies are available for inspection during regular working hours at the following locations:

USDA, Forest Service South Agriculture Bldg., Room 3231 12th St. & Independence Ave., SW. Washington, D.C. 20250 USDA, Forest Service

Pacific Northwest Region 319 SW. Pine Street Portland, Oregon 97204 Umpqua National Forest Federal Office Building Roseburg, Oregon 97470

A limited number of single copies are available upon request to Forest Supervisor J. R. Philbrick, Umpqua National Forest, P.O. Box 1008, Roseburg, Oregon 97470.

> ROBERT R. TYRREL, Acting Regional Forester, Region 6.

NOVEMBER 25, 1974.

[FR Doc.74-28401 Filed 12-4-74;8:45 am]

Rural Electrification Administration
CONTINENTAL TELEPHONE COMPANY
OF MINNESOTA, INC.

# Proposed Loan Guarantee

Under the authority of Pub. L. 93-32 (87 Stat. 65) and in conformance with applicable agency policies and procedures as set forth in the proposed REA Bulletin 320-22, "Guarantee of Loans for Telephone Facilities," published in FEDERAL REGISTER, September 16, 1974. (Vol. 39, No. 180, Pages 33228-33229) notice is hereby given that the Administrator of REA will consider providing a guarantee supported by the full faith and credit of the United States of America for a loan in the approximate amount of \$4,700,000 to Continental Telephone Company of Minnesota, Inc., St. Paul, Minnesota. The loan funds will be used to finance the construction of facilities to upgrade the Bear River exchange to one- and four-party service; upgrade the Ghent, Taylors Falls, Wyoming, and Chicago-Lindstrom exchanges to all oneparty service; connect new subscribers; and for other system improvements,

Legally organized lending agencies capable of making, holding and servicing the loan proposed to be guaranteed may obtain information and details of the proposed project from Mr. Charles M. Rexroat, President, Continental Telephone Company of Minnesota, Inc., 3020 Hudson Road, Suite 301, St. Paul, Minnesota 55119.

To assure consideration, proposals must be submitted (within 30 days of the date of this notice) to Mr. Charles M. Rexroat. The right is reserved to give such consideration and make such evaluation or other disposition of all proposals received, as the Continental Telephone Company of Minnesota, Inc., and REA deem appropriate. Prospective lenders are advised that financing for this project is available from the Federal Financing Bank under a standing loan commitment agreement with the Rural Electrification Administration.

Copies of the proposed REA Bulletin 320-22 are available from the Director, Information Services Division, Rural Electrification Administration, U.S. Department of Agriculture, Washington, D.C. 20250.

Dated at Washington, D.C., this 27 day of November, 1974.

DAVID A. HAMII, Administrator, Rural Electrification Administration. [FR Doc.74-28456 Flied 12-4-74;8:45 am]

# DEPARTMENT OF COMMERCE

Office of the Secretary
CTAB PANEL ON PROJECT
INDEPENDENCE BLUEPRINT

Notice of Meetings
The Panel on Project Independence
Blueprint was formed under the U.S.
Department of Commerce Technical Ad-

visory Board (CTAB) to provide the Secretary an assessment of the feasibility of the actions and policies resulting from

the Project Independence Blueprint. This notice provides the schedule for the following meetings.

Date Time		Time	Purpose	Meeting place	
Jan.	10, 1975 13, 1975	8:30 a.m. to 5 p.m 8:30 a.m. to 5 p.m	Subcommittee on Fine Gas Desulfurizationdodododo	Room 6802, Main Commerce Bldg., Washington, D.C. Do. Do. Do.	

A limited number of seats will be available to the press and to the public. Written statements or inquiries may be filed with the Chairman before or after any of these meetings.

Persons desiring further information on the Panel or on individual meetings should contact Dr. Bruce B. Robinson, Room 3877, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, D.C. 20230.

Dated: December 2, 1974.

BETSY ANCKER-JOHNSON,
Assistant Secretary of Commerce
for Science and Technology.

IFR Doc.74-28410 Filed 12-4-74:8:45 am1

### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[DESI 2811; Docket No. FDC-D-230; NDA 2-811]

#### CHORIONIC GONADOTROPIN

# Follow-up Notice and Opportunity for Hearing

In a notice (DESI 2811) published in the Federal Register of September 17, 1970 (35 FR 14574), the Commissioner of Food and Drugs announced his conclusions pursuant to the evaluation of a report received from the National Academy of Sciences-National Research Council, (NAS-NRC) Drug Efficacy Study Group on Riogan, containing 10,000 I.U. chorionic gonadotropin (HCG) per 10 cc. vial (NDA 2-811); the present NDA holder is S. F. Durst & Co., Inc., Division O'Neal, Jones & Feldman, Inc., 1683 Winchester Rd., Philadelphia, PA 19020.

In addition to the holder of the new application specifically named drug above, this notice applies to all persons who manufacture or distribute a drug product, not the subject of an approved new drug application, which is identical, related, or similar to the drug product named above, as defined in 21 CFR 310.6. It is the responsibility of every drug manufacturer or distributor to review this notice to determine whether it covers any drug product he manufactures or distributes. Any person may request an opinion of the applicability of this notice to a specific drug product he manufactures or distributes that may be identical, related, or similar to the drug product named in this notice by writing to the Food and Drug Administration, Bureau of Drugs, Division of Drug Labeling Compliance (HFD-310), 5600 Fishers Lane, Rockville, MD 20852.

The notice of September 17, 1970 stated that Riogan was regarded as effective in the treatment of cryptorchidism not due to anatomical obstruction, and in selected cases of male hypogonadism secondary to pituitary failure; possibly effective in the treatment of sterility due to defective luteal function; and lacking substantial evidence of effectiveness for its other labeled indications. No data were received pursuant to the notice in support of the less-than-effective indications nor has new drug application No. 2-811 been supplemented with revised labeling and updating information.

Since the September 17, 1970 notice, developments regarding two additional uses of human chorionic gonadotropin have required that there be further evaluation of the indications for which the drug is documented to be safe and effective and that there be modifications of the labeling for drug products containing HCG. Specifically the use of HCG in weight reduction programs and in the induction of ovulation has been reviewed by the Food and Drug Adminstration. (The literature reviewed is listed below in this notice):

# USE OF HCG IN WEIGHT REDUCTION PROGRAMS

The Food and Drug Administration has become aware, through reports in medical and lay magazines and in the press, and through reports to the Commissioner, of widespread use of HCG in conjunction with a low-calorie diet in the treatment of obesity.

These reports indicate the use of HCG in a large and rapidly expanding number of "weight loss clinics" in major cities throughout the United States, which advertise heavily in the local news media. The proliferation of these clinics promoting HCG in conjunction with a low calorie diet has spawned a substantial amount of correspondence to FDA, including both inquiry as to the effectiveness of such use of HCG and complaints about such use, from the medical profession, medical associations and societies, state and local government agencies, and the public at large. In response to these inquiries, the Food and Drug Administration has advised that the safety and effectiveness of HCG as adjunctive treatment of obesity has not been established, and that the drug is not generally recognized as safe or effective by qualified experts for this purpose.

In addition, the Federal Trade Commission has recently instituted an injunctive proceeding against five firms in California in the business of operating weight reducing clinics, alleging use of false and unfair advertising in violation of the Federal Trade Commission Act. The FTC seeks to enjoin the use of any advertising of defendants' clinics so long as defendants continue to use HCG in their treatments without such use being approved by the Food and Drug Administration pursuant to section 505 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 355. "Federal Trade Commission v. Simeon Management Corp.," No. C-74-2226, N.D. Cal., filed October 17. 1974. The Federal Trade Commission has also recently filed an administrative proceeding against the same firms alleging false and deceptive advertising in conjunction with weight reducing clinics operated by respondents which utilize HCG in the treatment of obesity. In the matter of Simeon Management Corp., FTC Docket No. 8996, filed October 15, 1974.

Copies of such material referred to above are on file with the Hearing Clerk.

Although there is considerable literature on the use of HCG in the treatment of obesity, there is a lack of substantial evidence in the form of adequate and well-controlled studies meeting the requirements of 21 U.S.C. 355 and 21 CFR 314.111(a) (5) that HCG is safe and effective for such use. Moreover, no scientifically plausible rationale has been advanced to explain how HCG could influence fat distribution and the sense of hunger and discomfort that results from dieting, as has been claimed.

The use of HCG in obesity was originally advocated by Dr. A. T. W. Simeons. Writing in "The Lancet" (Ref. 1) and other professional and lay journals, he described a treatment regimen that included: (1) a 500-calorie diet with many foods specifically included or excluded, (2) intramuscular injections of 125 International Units of HCG given 6 times per week, to a total of 40 injections, (3) day-to-day monitoring of weight changes, and (4) daily patient interviews to discuss progress and problems. Simeons reported an average daily weight loss of 250 to 600 grams in over 500 cases (he mentioned no failures) and claimed particularly that patients did not experience the severe hunger and weakness that were the expected consequences of the 500calorie diet. In fact, he described them as feeling very well-even euphoric. He concluded that HCG was beneficial in allowing patients to follow a regimen of severe calorie restriction without discomfort. He also reported a change in fat distribution, with greater loss from the waist and hips than expected.

Simeons also mentioned, without providing any details or numerical data, a variety of other rather remarkable improvements, including: decreased ulcer symptoms, decreased blood uric acid and gouty attacks, "a great increase in libido in its broadest sense . . . such . . . that it became an ethical obligation to warn women of childbearing age about this before treatment was stated," relief of oligomenorrhea and hyperoestrogenic dysmenorrhea," ces-

sation of abnormal hair loss, normalization of brittle nails, improvement of
"arthritic and vaguer "rheumatte"
pains" and clearing within a matter of
days of a "larger variety of dermatoses . . particularly those of allergic
origin." Professional singers were reported to note improvement in their
voice quality. According to Simeons,
when saline was substituted for HCG
without the patient's knowledge, patients complained of dizzlness and hunger and no longer lost weight.

Simeons' explanation of the effects of HCG was that the hormone somehow made fat more available for use, i.e., placed it "in transit," so that a smaller additional daily food intake could satisfy patients' food desires. This conclusion was based on his observation that people given HCG and a normal diet noted a "partial loss of appetite" and a change in fat distribution with decreased hip and waist measurements without any change in weight. He interpreted this as a dispersal of fat away from the usual storage sites. However, he did not attempt to explain why such people did not eat less and lose weight if their appetite had in fact diminished.

Simeons' sweeping claims were based almost entirely upon uncontrolled collections of case reports. Except for the single-blind substitutions of saline for HCG in an unstated number of patients for an unstated period of time, Simeons made no attempt to identify and quantitate the role in weight loss of the lowcalorie diet, the intramuscular injections, the content of the injection, and the close personal contact the with the dieter, all of which were part of the overall method and might have made a contribution to the overall effect of the program. Simeons' studies thus do not. on their face, meet the standards for adequate and well-controlled studies within the meaning of 21 U.S.C. 355 and 21 CFR 314.111(a) (5). Since the imposition of a low calorie diet and a program of patient encouragement would be expected to induce by themselves a loss of weight, Simeons' studies cannot begin to assess the actual contribution of HCG to any weight loss observed.

A number of physicians have reported their own uncontrolled observations using Simeons' methods. These include Lebon (Ref. 2), Hutton (Ref. 3), who also reported a more youthful appearance in patients, Spence (Ref. 4), and Gusman (Ref. 5), all of whom were favorably impressed with HCG, and Kalina (Ref. 6), who doubted its benefits.

Gusman (Ref. 5) has recently summarized his own experiences using HCG and has offered the most extensive recent discussion of the rationale for this therapy. He states, first, that women never become obese "in the true sense of the word" during pregnancy (when there are high blood levels of HCG) and that excess fat is "more evenly distributed all over the body." Moreover, he continues, pregnancy is the best time to reduce a mother's excess weight without harm to hersif or the fetus. These state-

ments are intended to support the idea that HCG makes deposited fat more available. However, since no data are offered regarding the likelihood of obesity developing de novo in any given 9-month period, it is difficult to know how Gusman concludes that "true" obesity is less likely to develop in a pregnant woman than in a woman who is not pregnant. The second assertion is also unsupported and is a potentially dangerous misconception. It has been well documented that attempts to diet during pregnancy result in babies with decreased birth weight. (Pitkin, et al. (Ref. 7)).

In any case, no direct effect of HCG on fat metabolism has been demonstrated by those promoting its use in obese patients. Gusman (Ref. 5) suggests that the fat mobilizing effect of HCG is mediated through the hypothalamus. If this were so, there would presumably have to be an additional active substance secreted by the hypothalamus or pituitary in response to HCG. Gusman's belief in the hypothalamic activity of HCG apparently arises from his impression that HCG is not truly a gonadotropin, and that its name is a misnomer and that HCG stimulates the hypothalamus rather than stimulating the gonads directly. This belief is incorrect. HCG is well known to be a true gonadotropin; it is capable of stimulating secretion of steroidal hormones in portions of the human ovary removed from the body in the absence of any hypothalmic or pituitary factor (Rice, et al. (Ref. 8)).

HCG is a well-characterized placental polypeptide hormone composed of two sub-units, an alpha and a beta. The alpha sub-unit is apparently identical to the alpha sub-unit of a number of pituitary hormones, including FSH and LH, the two pituitary gonadotropins. The physiologic role of HCG is documented and described in standard textbooks of endocrinology. The action of HCG appears to be quite similar in all respects to LH, and HCG appears to have a small amount of PSH activity as well. During pregnancy HCG secreted by the placenta stimulates the corpus luteum of the ovary to produce progesterone. In the absence of this stimulus, progesterone and estrogen secretion would diminish and menstruation would occur. This would, of course, destroy the early embryo. HCG is thus essential to maintenance of the normal pregnancy precisely because it is a gonadotropin. While it cannot be stated that HCG has no metabolic activities other than its function as a gonadotropin, none has been demonstrated to date, and certainly no vaguely defined fat mobilization activity mediated by hypothalamic stimulation has been demonstrated. The fact that the amounts of HCG used in the Simeons regimen are apparently insufficient to interfere with normal menstruction strongly suggests that such amounts have little clinical activity.

Even if there were no rational explanation of how HCG might be effective in weight reduction programs, it might

still be effective. There have been eight reports to date of studies which have had, or which claim to have had, some of the elements of an adequate and well-controlled study. None of these studies has claimed to support Simeons observation of changes in body fat distribution or his more sweeping claims described above, of general improve-ment. All of the studies compared the weight loss in patient treated with the Simeons regimen (or a modification of this regimen) with the weight loss in patients treated in the same way except that normal saline injections were substituted for HCG (in one case LH was substituted) or injections were omitted entirely. None of these studies has been formally submitted to the Food and Drug Administration in support of a new indication for HCG, and in no case does the Food and Drug Administration have access to the individual patient reports or the detailed description of the conditions of the study that are often important to full evaluation of clinical trials. The studies have nevertheless been evaluated to the extent possible based on the published data.

1. Craig, et al. (Ref. 9) randomly and blindly allocated 20 chronically obese women into HCG and placebo groups (9 control, 11 HCG). A 550-calorie diet was prescribed, but the program of daily discussion with the physician or his assistant was omitted. HCG or placebo was administered 6 times per week until 40 injections were given, and all patients but one completed the entire study.

HCG-treated patients lost an average 6.5 pounds, compared to 8.8 pounds in the control group. These weight losses are smaller than those reported in other studies, perhaps due to the lack of daily professional contact. Nevertheless, treatment and control groups received the same relative lack of attention, and any ability of HCG to promote adherence to the diet by diminishing the sense of hunger should have been manifested by an increased amount of weight lost. It might be argued that HCG makes a difference only if a low-calorie diet is followed. However, this has never been studied experimentally and Simeons' original reported observations of decreased appetite were made on persons eating their usual diet.

2. Carne (Ref. 10) also conducted a randomized double-blind trial comparing HCG injections with saline injections. He was practiced in administering dietary instructions and had used Simeons' methods in about 150 patients prior to the trial. He followed Simeons' entire program precisely. The medication code was not in Carne's possession, but was held by the drug supplier; placebos were prepared by the supplier. Twenty-five patients entered the trial (31 HCG, 12 saline control) and there were three dropouts (1 HCG, 2 control).

Average weight loss was similar in both groups (21 pounds, HCG: 19 pounds, saline control). In a second study, saline injections were compared with no injections at all. In the latter group, visits

to the physician were also less frequent. In the second study the weight loss was significantly greater in the injection group (22.4 pounds, saline; 17.7 pounds. no injection). Carne concluded that the injections and the frequent physician contact were helpful but that whether or not there was HCG in the injection made no difference. He quoted a patient as saying: "You know, Doctor, every time I look at a piece of food I think of what is going to happen when I get on your scales tomorrow morning," and noted that "patients on either C.G. or the inert placebo were keen to tell me how much benefit they got from the injections and how previously they had failed to keep to any diet they had tried.' It should be added that Gusman (Ref. 5), who was generally critical of previous controlled studies of HCG, did not find the Carne study deficient in any way.

3. Sohar (Ref. 11) conducted a singleblind study comparing HCG with saline in 45 patients (53 courses of treatment; 39 HCG and 14 saline). It is not stated whether treatment was allocated randomly. The Simeons diet was followed precisely, but injections were given by nurses at home rather than by physicians in the clinic. Of the 53 courses of therapy, 47 were defined as successful (more that 150 gm/day mean weight loss); 5 of the 6 failures were on HCG. The average weight loss in the successful trials was practically identical for the HCG and placebo groups (about 20 pounds). This study supports the contention that any benefit of the injections in the Simeons regimen is not due to HCG. The lack of detail as to randomization and blinding causes this study to be less than defini-

tive, however. 4. Frank (Ref. 12) compared HCG and placebo in a double-blind, controlled study. Sixty-six patients entered the study, but 12 HCG and 6 control patients dropped out, leaving 24 HCG and 24 placebo. The diet contained 1,030 calories, not 500, and HCG injections of 200 International Units were given three times per week. At each visit the patient was questioned regarding hunger. Twenty-one to twenty-five injections were given over a 50-to-60-day period. Body measurements were also made. The mean weight loss was 12.3 pounds for the HCG groups and 11.5 pounds for the control group. Changes in subjective hunger symptoms and body measurements were the same for both groups. The study is deficient in that the treatment groups were not comparable. Although mean age was the same, mean initial weight was 216 pounds for placebo, 242 pounds for HCG, and there were more men (18 vs. 9) in the HCG group. These differences do not necessarily favor the placebo groups, but they make evaluation of the study difficult. The failure to detect any difference in hunger symptoms, however, cannot obviously be explained by these differences in the baseline characteristics of the treatment groups. The study has been criticized by Gusman because it departed from Simeons' technique in a

number of areas, including calories allowed per day and frequency of injections. However, there is no reason to think the higher caloric intake would eliminate any benefits of HCG. As noted, Simeons reported decreased appetite in patients taking their normal diet.

5. Harris and Warsaw (Ref. 13), strong advocates of the use of HCG. conducted a mainly uncontrolled study. They did, however, at one point substitute luteinizing hormone (LH) for HCG in their injections without telling their patients. This study is termed "double-blind", although it appears that the investigators were aware of the change. Patients given LH were said to have experienced severe and "uncontrollable" hunger. Despite this reported hunger, weight loss in those patients was described as "comparable to that obtained with HCG." The investigators interpret their work as indicating a significant effect of HCG. However, the satisfactory weight loss in LH-treated patients suggests that these patients were fully as able to adhere to their 500calorie diet. The study is thus more properly interpreted as showing that HCG played no role in promoting weight loss, unless it is assumed that LH is also an active drug in the promotion of weight loss.

6. Hastrup, et al. (Ref. 14) carried out an unblinded comparison of patients treated for 3 weeks with a 500-calorie diet and daily injections of 125 LU. of HCG and patients treated with the same diet but no injections. Of 44 female patients entered into the study, 38 completed it (20 HCG, 18 diet control). The mean daily weight loss was 237 grams for the HCG group and 270 grams for the control group. Ten patients on HCG complained of hunger while four of the control group had a similar complaint. The study thus provides no suggestion that HCG is of benefit. It is important to note that this study was successful in terms of weight loss. It cannot be criticized as a carelessly conducted study or as one in which there was no opportunity for HCG to be effective because calorie intake was too high; the patients obviously followed their low-calorie

The assignment of patients into groups is not described, but there is no indication that it was random. Without randomization there is no way to assure that such non-objective factors as attitude were comparable. Patient groups were comparable, however, with regard to total weight (mean 93 kilograms) and degree of obesity according to Metropolitan Life Insurance tables (HCG group, 47 percent over normal; diet group, 49 percent over). The HCG group was somewhat older (mean 51 years vs. 44 years for the control group; median 56 years vs. 51 years). There was no attempt to eliminate patient bias by using placebo injections in the control group, but this would seem to favor HCG, since no injections were given to the control group and placebo injections appear, from other

was also no attempt to eliminate observer bias, but the negative results suggest that such bias may not be present. The Hastrup study thus has certain deficiencies, but supports the effectiveness of diet, not of HCG, and the study further suggests that placebo injections are

not always beneficial. 7. Lebon (Ref. 15) conducted a doubleblind trial comparing HCG and placebo. apparently at the same time as other patients were being treated in an open trial in the same clinic. The method of assigning patients to groups and of or deciding who was or was not part of the study is unclear. No initial weights are given so that comparability of the groups cannot be assessed at all. The patient studied in the double-blind trial were separated in an unstated fashion from an additional 40 patients treated with HCG without blinding. Moreover, it appears that 48 patients were entered into the double-blind trial, but only 24 were analyzed. All of these questions cast doubt on whether treatment and control groups were effectively randomized and comparable with regard to pertinent variables (21 CFR 314.111(a) (5) (ii) (a) (2) (iii)). HCG-treated patients in the double-blind study lost more weight than the 40 patients treated with HCG without blinding. The placebo patients lost about as much as the 40 open HCG patients, but less than the HCG doubleblind patients. The statistical methods are unclear, since certain patients were excluded and others included without adequate explanation. Moreover, the investigators did not claim to find a statistically significant difference in the double-blind study between the entire group treated with HCG compared to the placebo group. Rather they claimed only to have found a difference for a subgroup of patients who fell into the "very or "bad" categories (arbitrary "hoors designations based on total weight loss). It should be noted that these essentially negative results were obtained by an investigator who clearly believed that HCG was effective. In any event, the unknown comparability of the groups (21 CFR 314.111(a) (5) (ii) (a) (2) (iii)), the lack of description of randomization of patients into control and treatment groups (21 CFR 314.111(a) (5) (ii) (a) (2) (ii)), the exclusion of half the patients studied without adequate explanation (21 CFR 314.111(a) (5) (ii) (a) (2) (iii) ) and the uninterpretable methods of data evaluation (21 CFR 314.111(a) (5) (ii) (a) (5)) render this a less than adequate and well-controlled study.

8. Asher and Harper (Ref. 16) reported on five double-blind studies comparing HCG injections (six per week) with injections of normal saline. Four of the studies, involving a total of 28 patients on HCG and 32 on placebo, were analyzed together and showed no difference in weight loss between the HCG and placebo groups. Patients in these studies had a mean weight loss of about 6.5 pounds in a mean of 18 visits. The dropout rate was reported to be high and the weight loss suggests only moderate compliance

studies, to facilitate weight loss. There

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with diet (most of the studies with close attention to compliance show a weight loss of about 20 pounds for 36 to 40 visits). Nevertheless, there is no reason to consider these results as less significant than those of the fifth study.

The fifth study of 40 patients was also plagued by dropouts (3 of 20 HCG, 7 of 20 placebo), which jeopardized randomization (21 CFR 314.111(a) (5) (ii) (a) (2) (iii)). In this study, the mean weight loss per patient and the mean loss per injection was significantly greater for the HCG group then for the saline group. In addition, complaints of hunger were reported to be less frequent in the HCG group.

The study is described as "modified double-blind." The meaning of that term is unclear but it may refer to knowledge of the code by one investigator while the other, carrying out the clinical work, remained blind. If that is the meaning, it is a method of blinding potentially liable to breakdown. The authors state that they hope for more complete blinding in subsequent trials. It cannot be concluded from the description of the study that blinding techniques were adequate to minimize observer bias (21 CFR 314.111 (a) (5) (1) (a) (3)).

Asher and Harper maintain that the difference in results reflects more meticulous follow-up of the fifth study as compared to the other four. This is comparable to the contention of Simeons (Ref. 17) that HCG does not make any difference until the caloric intake becomes very low (around 500 calories). The basis for this argument is unclear. If HCG mobilized fat and made a 500calorie diet tolerable and easier to maintain, it would be expected to do the same for a 1,000-calorie diet, which is also uncomfortable for most obese patients. As noted above, Simeons maintained (Ref. 1) that the effects on fat metabolism, appetite, and sense of well-being could be observed in patients eating a normal diet and that these effects were regularly seen in pregnancy; this appears to con-tradict Asher and Harper's explanation.

In summary, controlled and partially controlled studies comparing HCG and a placebo injection (in one case comparing HCG and no injection) in the treatment of obesity indicate that HCG is no more effective than placebo. The single study tending to support HCG as more effective than placebo utilized a blinding technique of undetermined adequacy and had a high drop-out rate that jeopardized randomization. Moreover, it was one of five studies conducted by the same investigator; the other four showed that HCG was no more effective than placebo.

The conclusion that HCG has not been demonstrated to be effective in weight reduction programs has recently been reached in two comprehensive reviews by "The Medical Journal of Australia" (Ref. 18) and Albrink (Ref. 19). A similar conclusion is expressed in the "Medical Letter on Drugs and Therapeutics" (Ref. 20 and 21), the "AMA Drug Evaluations" (Ref. 22), and "The Journal of the American Medical Association" (Ref.

23). It should be recognized that the investigators and reviewers who doubt the effectiveness of HCG do not doubt that efficacy of a 500-calorie diet combined with intense encouragement of patients will cause patients to lose weight. Albrink (Ref. 19) has suggested that the 500-calorie diet is sufficiently low in calories to cause the absence of hunger and euphoria that is sometimes associated with total starvation.

Investigators using HCG in weight reduction programs have not reported adverse effects from the injections, but this has not been well studied. Of the authors cited above, only Craig (Ref. 9) reported laboratory studies, noting no effect of HCG on basal metabolic rate. protein bound iodine, fasting blood sugar, or total serum lipids. There appears to have been no study of the endocrine effects of HCG, specifically the effect on gonadal steroids during weight reduction programs. Of particular concern is the known ability of HCG to stimulate testosterone production in males. It is this action of the drug which is the physiological basis for the indications for which the drug is classified as effective in males, and is also the reason use of HCG is contraindicated in males with cancer of the prostate or other androgen-dependent neoplasms. The question of whether 125 units per day for more than one month will cause increased levels of blood androgens in thus an extremely important one. This question has not been answered. It is also important to recognized that cancer of the prostate is often not detectable in its early states by physical examination of the rectum. Therefore, there remain serious questions regarding the safety of the use of HCG for the treatment of obesity in males, or in any other condition for which substantial evidence of effectiveness is lacking.

#### USE OF HCG IN THE INDUCTION OF OVULATION

Although the use of HCG in conjunction with menotropins (human menopausal gonadotropins, principally FSH. but with some LH activity) in the induction of ovulation was not reviewed by the NAS/NRC, the effectiveness of such use is supported by substantial evidence. In studies submitted to the Food and Drug Administration in support of the effectiveness of menotropins, the effec-tiveness of HCG was also demonstrated. In anovulatory women with potentially functioning ovaries, including those diagnosed as having primary amenorrhea, secondary amenorrhea, secondary amenorrhea with galacetorrhea, polycystic ovaries, and anovulatory cycles, the overall ovulation rate following menotropins plus HCG was approximately twice the rate following menotropins Thompson and Hansen have summarized the results of these clinical investigations (Ref. 24). These findings are reflected in the current package inserts for menotropins, in which the Dosage and Administration section describes the use of HCG after appropriate pre-treatment with menotropins. The role of HCG is

also supported by basic scientific knowledge of the physiology of ovulation is known that ovulation follows a rapid mid-menstrual cycle rise in luteinizing hormone (LH), and that ovulation does not occur, even when there has been adequate stimulation of ovarian follicular growth by follicle-stimulating hormone (FSH), until this mid-cycle surge occurs. As noted earlier, the physiologic effects of HCG are essentially identical to those of LH.

There are many publications in the medical literature reporting the effectiveness of menopausal gonadtropin-HCG regimen in the induction of ovulation. Kistner (Ref. 25) showed in 19 of 20 women with secondary amenorrhea that ovulation, as determined by indirect measurements (increased in basal body temperature, menstruation 2 weeks after the thermogenic shift, endometrial blopsy and/or increased urinary pregnanediol), occurred after administration of 5,000 International Units of HCG when the patients were pre-treated for 10 to 15 days with menotropins.

Pasetto and Montanino (Ref. 26) reported on the treatment of 25 cases of amenorrhea. Their regimen included a variable period of treatment with menotropins (ranging from 10 to at least 20 days) depending upon the evaluation of the cervical mucus, followed by administration of HCG at a dose of 4,500 to 7,500 units, usually administered in divided doses over a 3-day period. Ovulation occurred in 42 of 68 treated cycles and was evaluated indirectly by body temperature, disappearance of cervical mucus crystallization, luteal cells in the vaginal smear, and urinary pregnanediol excretion. Ovulation occurred after a widely variable period of menotropin treatment, but after HCG treatment, indicating the role of HCG in producing release of the developed follicle.

Rosemburg and Nive (Ref. 27) studied 23 patients with secondary amenorrhea Ovulation was evaluated as in the study of Pasetto and Montanino. The duration of treatment with menotropins was again variable (the precise duration cannot be determined from data given) but ovulation followed administration of HCG (6,000 units total over 3 days), as expected.

Taymor, et al. (Ref. 28) reported ovulation in 46 of 48 cycles in women with primary amenorrhea, secondary amenorrhea, or anovulatory cycles treated with menotropins followed by HCG. HCG was administered after a variable number of days of menotropin therapy, depending on changes in the cervical mucus. Again, ovulation followed HCG administration.

Gemzell, et al. (Ref. 29) were among the first to utilize a combination of FSH (the principal hormone of menotropins) and HCG to induce ovulation, and they explored directly the contribution of each gonadotropic hormone. In a study of four patients with an atropic endometrium, FSH, administered for about 6 days, followed by HCG for 6 days, produced ovulation in three of four of such

patients. Ovulation, as indicated by increased pregnanediol excretion, occurred promptly after HCG administration. Two patients with a proliferative endometrium, indicating adequate FSH activity, ovulated after HCG alone, again indicating the ability of the HCG to cause ovulation when there is a developed follicle. In those same two women, treatment with FSH alone had no effect on ovulation.

The above studies provide substantial evidence that HCG is usually needed to provoke release of the ovum from the developed follicle. After periods of menotropin or FSH administration ranging from 6 to more than 20 days, ovulation followed, and did not appear to precede the administration of HCG. These studies thus show that menotropins alone will usually not induce ovulation, in contrast to treatment with menotropins followed by HCG, which results in ovulation in most patients observed.

The approved labeling for menotropins (Pergonal) recommends that 10,000 I.U. of HCG be given 1 day after the last dose of menopausal gonadotropins. As indicated above, other HCG regimens have also proved effective to varying degrees (5,000 I.U. once, 4,500-7,500 I.U. given in divided doses over a 3-day

interval).

Thus, based upon review and evaluation of published literature, and upon reports submitted to the FDA related to the use of menotropins, HCG is considered effective for the induction of ovulation in women appropriately pre-treated with menotropins, as well as cryptorchidism not due to anatomical obstruction and selected cases of hypogonadotropic hypogonadism in males. The indication, sterility due to defective luteal function, has been reclassified as lacking substantial evidence or effectiveness in that no data supporting this indication were received pursuant to the previous notice. There is also a lack of substantial evidence of effectiveness for use of HCG as an adjunct to diet in weight reduction programs. Because of the widespread use of HCG in such weight reduction programs, the labeling for this drug shall explicitly state that there is no substantial evidence of effectiveness for HCG in weight reduction, appetite suppression, or reduction of the hunger and discomfort associated with calorie-restricted diets.

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Accordingly, the previous notice is amended to read as follows:

Such drugs are regarded as new drugs (21 U.S.C. 321(p)). Supplemental new drug applications are required to revise labeling in and to update previously approved applications for such drugs. A new drug application is required from any person marketing such drug without approval. Such drug product marketed without an approved new drug application is subject to regulatory action at any time.

A. Effectiveness classification. The Food and Drug Administration has considered the Academy's report, as well as other available evidence and concludes

1. The drug is effective for the indications listed in the labeling conditions

2. The drug lacks substantial evidence of effectiveness for all other labeled indications.

B. Conditions for approval and marketing. The Food and Drug Administration is prepared to approve new drug applications under conditions described herein.

1. Form of drug. Preparations of chorionic gonadotropin are in sterile lyophilized form sutiable for parenternal administration after reconstitution.

2. Labeling conditions. (a) The label bears the statement "Caution: Federal law prohibits dispensing without pre-

scription."

(b) The drug is labeled to comply with all requirements of the Act and regulations, the labeling bears adequate information for safe and effective use of the drug, and the labeling is substantially as follows:

#### DESCRIPTION

gonadotropin chorionic Human (HCG), a polypeptide hormone produced by the human placenta, is composed of an alpha and a beta sub-unit. The alpha sub-unit is essentially identical to the alpha sub-units of the human pituitary gonadotropins, luteinizing hormone (LH) and follicle-stimulating hormone (FSH), as well as to the alpha sub-unit of human thyroid-stimulating hormone (TSH). The beta sub-units of these hormones differ in amino acid sequence. (Manufacturer to supply information on physical characteristics, origin, standardiza-

#### ACTIONS

The action of HCG is virtually identical to that of pituitary LH, although HCG appears to have a small degree of FSH activity as well. It stimulates production of gonadal steroid hormones by stimulating the interstitial cells (Levdig cells) of the testis to produce androgens and the corpus luteum of the ovary to produce progesterone. Androgen stimulation in the male leads to the development of secondary sex characteristics and may stimulate testicular descent when no anatomical impediment to descent is present. This descent is usually reversible when HCG is discontinued. During the normal menstrual cycle, LH participates with FSH in the development and maturation of the normal ovarian follicle, and the mid-cycle LH surge triggers ovulation. HCG can substitute for LH in this function.

During a normal pregnancy, HCC secreted by the placenta maintains the corpus luteum after LH secretion decreases, supporting continued secretion of estrogen and progesterone and preventing menstruation. HCG has no known effect on fat mobilization, appetite or sense of hunger, or body fat distribution.

#### INDICATIONS

HCG has not been demonstrated to be effective adjunctive therapy in the treatment of obesity. There is no substantial evidence that it increases weight loss beyond that resulting from caloric restriction, that it causes a more attractive or "normal" distribution of fat, or that it decreases the hunger and discomfort associated with calorie-restricted diets.

- 1. Prepubertal cryptorchidism not due to anatomical obstruction. In general, HCG is thought to induce testicular descent in situations when descent would have occurred at puberty. HCG thus may help predict whether or not orchlopexy will be needed in the future. Although, in some cases, descent following HCG administration is permanent, in most cases, the response is temporary. Therapy is usually instituted between the ages of 4 and 9.
- 2. Selected cases of hypogonadotropic hypogonadism (hypogonadism secondary to a pituitary deficiency) in males.
- 3. Induction of ovulation and pregnancy in the anovulatory, infertile woman in whom the cause of anovulation is secondary and not due to primary ovarian failure, and who has been appropriately pre-treated with human menotropins.

#### CONTRAINDICATIONS

Precocious puberty, prostatic carcinoma or other androgen-dependent neoplasm, prior allergic reaction to HCG.

#### WARNINGS

HCG should be used in conjunction with human menopausal gonadotropins only by physicians experienced with infertility problems who are familiar with the criteria for patient selection, contraindications, warnings, precautions, and adverse reactions described in the pack-

age insert for menotropins. The principal serious adverse reactions during this use are: (1) Ovarian hyperstimulation, a syndrome of sudden ovarian enlargement, ascites with or without pain, and/or pleural effusion, (2) Rupture of ovarian cysts with resultant hemoperitoneum, (3) Multiple births, and (4) Arterial thromboembolism.

#### PRECAUTIONS

 Induction of androgen secretion by HCG may induce precoclous puberty in patients treated for cryptorchidism.
 Therapy should be discontinued if signs of precoclous puberty occur.

 Since androgens may cause fluid retention, HCG should be used with caution in patients with cardiac or renal disease, epilepsy, migraine, or asthma.

#### ADVERSE REACTIONS

Headache, irritability, restlessness, depression, fatigue, edema, precodous puberty, gynecomastia, pain at the site of injection.

#### DOSAGE AND ADMINISTRATION (INTRAMUSCULAR USE ONLY)

The dosage regimen employed in any particular case will depend upon the indication for use, the age and weight of the patient, and the physician's preference. The following regimens have been advocated by various authorities.

Prepubertal cryptorchidism not due to anatomical obstruction

- 1. 4,000 U.S.P. Units three times weekly for three weeks.
- 2. 5,000 U.S.P. Units every second day for four injections.
  3. 15 injections of 500 to 1,000 U.S.P.
- Units over a period of six weeks.

  4. 500 U.S.P. Units three times weekly
- for four to six weeks. If this course of treatment is not successful, another is begun one month later, giving 1,000 U.S.P. Units per injection.

# Selected cases of hypogonadotropic hypogonadism in males

1. 500 to 1,000 U.S.P. Units three times a week for three weeks, followed by the same dose twice a week for three weeks.

2. 4,000 U.S.P. Units three times weekly for six to nine months, following which the dosage may be reduced to 2,000 U.S.P. Units three times weekly for an additional three months.

Induction of ovulation and pregnancy in the anovulatory, unfertile woman in whom the cause of anovulation is secondary and not due to primary ovarian failure and who has been appropriately pre-treated with human menotropins (See prescribing information for menotropins for dosage and administration for that drug product).

5,000 to 10,000 U.S.P. Units one day following the last dose of menotropins (A dosage of 10,000 U.S.P. Units is recommended in the labeling for menotropins).

### HOW SUPPLIED

(Information is to be supplied by the manufacturer.)

- (c) The drug is deemed to be misbranded if its labeling fails to reveal the material fact that there is a lack of substantial evidence that the drug is effective as adjunctive therapy in the treatment of obesity, or if the drug is not labeled as set forth in paragraph B.2(b) of this notice.
- (d) The term labeling is defined in section 201(m) of the Act, 21 U.S.C 321(m), and 21 CFR 1.2, as all written, printed or graphic matter accompanying an article of drug. For example, leaflets, pamphlets, and other materials distributed to members of the medical community and to the public at large regarding the use of HCG are regarded as labeling within the meaning of the Act. Such materials must be based upon the labeling set forth in this notice.

3. Marketing status. Marketing of this drug may be continued under the conditions described in the notice entitled "Conditions for Marketing New Drugs Evaluated in Drug Efficacy Study", published in the Federal Register July 14, 1970 (35 FR 11273), as follows:

1970 (35 FR 11273), as follows:

a. For holders of "deemed approved" new drug applications (i.e., an application which became effective on the basis of safety prior to October 10, 1962), the submission by February 3, 1975, of (1) a supplement for revised labeling fully to accord with this notice and (2) a supplement to contain updating information as needed to make the application current. Supplements need not contain preclinical and clinical data to support the indications regarded as effective and included in the labeling conditions above, but are required for support of any other indications, e.g., treatment of obesity.

b. For any person who does not hold an approved or effective new drug application, the submission of a new drug application (21 CFR 314.1(c)) by February 3, 1975. Applications need not contain preclinical and clinical data to support the indications regarded as effective and included in the labeling conditions above, but are required for support of any other indications, e.g., treatment of obesity.

c. All advertisements for chorionic gonadotropin, in order to be in compliance with 21 CFR 1.105(e), which requires a true statement of information in brief summary relating to side effects, contraindications, and effectiveness, must include in the brief summary or full disclosure portion of the advertisement the following statement from the indications section of this notice:

HCG has not been demonstrated to be effective adjunctive therapy in the treatment of obesity. There is no substantial evidence that it increases weight loss beyond that resulting from caloric restriction, that it causes more attractive or "normal" distribution of fat, or that it decreases the hunger and discomfort associated with calorie-restricted diets.

C. Notice of opportunity for hearing. On the basis of all the data and information available to him the Director of the NOTICES

Bureau of Drugs is unaware of any adequate and well-controlled clinical investigation, conducted by experts qualified by scientific training and experience, meeting the requirements of section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) and 21 CFR 314.111 (a) (5), demonstrating the effectiveness of the drug for the indication lacking substantial evidence of effectiveness referred to in paragraph A.2. of this notice. The Director further concludes that, in light of the widespread use of the drug for the unapproved use in the treatment of obesity, the labeling of the drug is false and misleading in that it fails to disclose the fact that there is a lack of substantial evidence that the drug is effective for that use.

Therefore, notice is given to the holder of the new drug application, and to all other interested persons, that the Director of the Bureau of Drugs proposes to issue an order under section 505(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(e)), withdrawing approval of the new drug application and all amendments and supplements thereto on the grounds (1) that new information before him with respect to the drug product, evaluated together with the evidence available to him at the time of approval of the application, shows there is a lack of substantial evidence, for the indications referred to in paragraph A.2. of this notice, that the drug product will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the labeling; and (2) on the basis of new information before him evaluated together with the evidence available when the application was approved, the labeling of the drug, based on a fair evaluation of all material facts. is false and misleading in that it fails to disclose the fact that there is a lack of substantial evidence that the drug is effective in the treatment of obesity. An order withdrawing approval will not issue with respect to any application supplemented, in accord with this notice, to (1) delete the claim(s) lacking substantial evidence of effectiveness; and (2) revise the labeling to be in accord with the labeling conditions set forth in paragraph B.2. of this notice.

In addition to the grounds for the proposed withdrawal of approval stated above, this notice of opportunity for hearing encompasses all issues relating to the legal status of the drug products subject to it (including identical, related, or similar drug products as defined in § 310.6), e.g., any contention that any such product is not a new drug because it is generally recognized as safe and effective within the meaning of section 201(p) of the act or because it is exempt from part of all of the new drug provisions of the act pursuant to the exemption for products marketed prior to June 25, 1938, contained in section 201(p) of the act, or pursuant to section 107(c) of the Drug Amendments of 1962; or for any other reason.

In accordance with the provisions of section 505 of the act (21 U.S.C. 355) and

the regulations promulgated thereunder (21 CFR 310, 314), the applicant and all other persons who manufacture or distribute a drug which is identical, related, or similar to the drug product named above (21 CFR 310.6), are hereby given an opportunity to raise, for administrative determination, all issues relating to the legal status of the drug product named above and all identical, related, or similar drug products.

If the applicant or any person subject to this notice pursuant to 21 CFR 310.6 elects to avail himself of the opportunity for a hearing he shall file (1) on or before January 6, 1975, a written notice of appearance and request for hearing, and (2) on or before February 3, 1975, the data, information, and analyses on which he relies to justify a hearing, as specified in 21 CFR 314.200. Any other interested person may also submit comments on this proposal to withdraw approval. The procedures and requirements governing this notice of opportunity for hearing, a notice of appearance and request for hearing, a submission of data, information, and analyses to justify a hearing, other comments, and a grant or denial of hearing, are contained in 21 CFR 130.14 as published and discussed in detail in the Federal Register of March 13. 1974 (39 FR 9750), recodified as 21 CFR 314.200 on March 29, 1974 (39 FR 11680).

The failure of the applicant or any other person subject to this notice pursuant to 21 CFR 310.6 to file timely written appearance and request for hearing as required by 21 CFR 314.200 constitutes an election by such person not to avail himself of the opportunity for a hearing concerning the action proposed with respect to such drug product and a waiver of any contentions concerning the legal status of such drug product. Any such drug product labeled for the indication lacking substantial evidence of effectiveness referred to in paragraph A.2. of this notice, or which bears labeling which is false and misleading in that it fails to disclose the fact that there is a lack of substantial evidence that the drug is effective in the treatment of obesity, may not thereafter lawfully be marketed, and the Food and Drug Administration will initiate appropriate regulatory action to remove such drug products from the market. Any new drug product marketed without an approved NDA is subject to regulatory action any time.

A request for a hearing may not rest upon mere allegations or denials, but must set forth specific facts showing that there is a genuine and substantial issue of fact that requires a hearing. If it conclusively appears from the face of the data, information, and factual analyses in the request for the hearing that there is no genuine and substantial issue of fact which precludes the withdrawal of approval of the application, or when a request for hearing is not made in the required format or with the required analyses, the Commissioner will enter summary judgment against the person(s) who requests the hearing,

making findings and conclusions, denying a hearing.

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All submissions pursuant to this notice of opportunity for hearing shall be filed in quintuplicate. Such submissions, except for data and information prohibited from public disclosure pursuant to 21 U.S.C. 331(j) or 18 U.S.C. 1905, may be seen in the office of the Hearing Clerk (address given below) during regular business hours, Monday through Friday.

Communications forwarded in response to this notice should be identified with the reference number DESI 2811, directed to the attention of the appropriate office listed below, and addressed to the Food and Drug Administration, 5600 Fishers Lane, Rockyille, Md. 20852:

Supplements (identify with NDA number):
Office of Scientific Evaluation (HFD-100),
Bureau of Drugs.

Original new drug applications: Office of Scientific Evaluation (HFD-100), Bureau of Drugs.

Submissions pursuant to the notice of opportunity for hearing (identify with docket number): Hearing Clerk, Food and Drug Administration (HFC-20), Room 4-65. All other communications regarding this an-

all other communications regarding this announcement: Drug Efficacy Study Implementation Project Manager (HFD-101), Bureau of Drugs.

Copies of all references cited above are on public display in the Office of the Hearing Clerk, Food and Drug Administration, Room 4-65, 5600 Fishers Lane, Rockville, Md. 20852.

This notice is issued pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sees. 502, 505, 52 Stat. 1050–1053, as amended; 21 U.S.C. 352, 355) and under the authority delegated to the Director of the Bureau of Drugs (21 CFR 2.121).

Dated: November 29, 1974.

J. RICHARD CROUT, Director, Bureau of Drugs.

[FR Doc.74-28409 Filed 12-4-74;8:45 am]

# Office of the Secretary OFFICE OF THE ASSISTANT SECRETARY, COMPTROLLER

# Statement of Organization, Functions, and Delegations of Authority

Part 1 of the Statement of Organization, Functions and Delegations of Authority for the Department of Health, Education and Welfare, Office of the Secretary, is revised to reflect changes in functional assignments of the Deputy Assistant Secretaries for Finance and Budget. Under Finance, the Division of Financial and Management Reporting is replaced by the Division of Financial Operations and Fiscal Procedures, and a new Division for Financial Planning and Analysis is being established. Under Budget, the Divisions of Budget Operations and Budget Standards and Presentation are being succeeded by the Division of Budget Review.

Section 1W.00 Mission. The Assistant Secretary, Comptroller is the principal adviser to the Secretary in the financial management of the Department. The Office of the Comptroller provides leadership in establishing basic Department policy in the area of financial management.

Section 1W.10 Organization. A. The Assistant Secretary, Comptroller reports

to the Secretary.

B. The Office of the Assistant Secretary, Comptroller includes:

 The Immediate Office of the Assistant Secretary, Comptroller.

2. The Deputy Assistant Secretary, Budget.

3. The Deputy Assistant Secretary, Finance.

4. The HEW Audit Agency.

The Division of Financial Management Standards and Procedures.

C. In the absence of the Assistant Secretary, Comptroller, the following officials, in the order shown, act as Comptroller:

Deputy Assistant Secretary, Comp-

troller.

Director, HEW Audit Agency.
Deputy Assistant Secretary, Finance.
Deputy Assistant Secretary, Budget.
Section 1W.20 Functions. A. The Assistant Secretary, Comptroller:

1. Directs and coordinates all financial management activities of the Depart-

ment.

- 2. Together with the Assistant Secretary for Administration and Management, cooperates with the Assistant Secretary for Planning and Evaluation in carrying out responsibility for developing the Department's five-year program and financial plan and the development and administration of the Department's planning and budgeting system.
- 3. Represents or designates representatives for the Department in its relationships on financial management matters with the Office of Management and Budget, Treasury Department, General Accounting Office, and other Federal agencies, inter-departmental committees and boards, and intra-agency advisory committees or groups.

B. Deputy Assistant Secretary, Comp-

troller:

1. Serves as principal adviser to the Assistant Secretary, Comptroller on all aspects of financial management and provides leadership to all functions of the Comptroller's office.

2. Integrates output of accounting, budgeting and financial reporting functions to serve the needs of the Secretary

and Under Secretary.

Exercises oversight and leadership to achieve priority Secretarial objectives in the field of financial management.

 Oversees planning of resource allocations for the Department. Oversees the programming and control of funds for the Department.

5. Acts as a principal HEW contact with top OMB staff. Represents the Department at appropriation hearings and bears primary responsibility for working with members and staff of Congressional Appropriations Subcommittees.

6. Serves as a principal spokesman for the Comptroller's Office with outside groups and the press.

7. Supervises budget formulation and execution for the Office of the Secretary.
C. The Deputy Assistant Secretary.

Budget:

1. Oversees preparation of budgets, estimates and forecasts of resources required to support programs and activities of the Department, including forecasts of resources required to support short and long-range plans.

2. Analyzes, in coordination with other staff advisors to the Secretary, plans and proposals for new or alternative legislation, programs or activities to determine their budgetary and financial manage-

ment implications.

3. Appraises programs, activities and operations in terms of their contribution to policies, goals and objectives of the Department as a basis for evaluating budgetary requirements. In the case of on-going programs, makes appraisals to determine whether programs have remained in keeping with original objectives as stated in budget requests and other representations to the Office of Management and Budget and to the Congress. Conducts specific studies and appraisals of program needs and performance in areas identified by the Secretary, the Under Secretary and other top management officials.

4. Operates the HEW integrated funding system, whereby grantees with projects cutting across categorical program lines are funded by integrating funds from different HEW sources into

one grant award.

- 5. Develops and administers policies and procedures for allocation and control of employment ceilings in conjunction with the Office of the Assistant Secretary for Administration and Management. Monitors agency staffing levels, and reviews and recommends action on proposed changes in agency staffing levels in accordance with manpower utilization studies approved by the Under Secretary.
- D. The Deputy Assistant Secretary, Finance:
- 1. Establishes and maintains a Department-wide system for financial operating plans and financial reporting.

Develops and executes, in coordination with the Deputy Assistant Secretary, Budget, spending policies and procedures related to execution of the budget.

- Develops and manages a Department-wide system for estimating and controlling outlays. Works with the Deputy Assistant Secretary, Budget, to provide outlay estimates for development of the budget.
- Oversees development and execution of Department-wide policies and procedures to regulate fiscal, cost control, travel and accounting activities.
- Assists HEW components in the design, installation and improvement of their accounting systems and operations.
   Reviews DHEW accounting systems to assure compliance with Department ac-

counting systems concepts and legal and General Accounting Office requirements

 Develops and executes policies and procedures on expenditure and collection of funds administered by the Department.

7. Establishes uniform standards, classifications, terminologies and policies to be used throughout the Department in its financial management activities.

Develops and maintains management data collection and reporting systems concerning programs, activities and operations of the Department as may be necessary to insure sound financial management of the Department.

9. Provides accounting and related services for the operating agencies, and provides systems and operational support for the Regional Accounting System.

E. The Director, HEW Audit Agency:
1. Exercises responsibility for conducting comprehensive audits of all Department programs, functions and activities, including those conducted by the Department's various grantees and contractors. Also, in accordance with OMB directives, performs audits for other Federal agencies at certain universities and State and local governments for which the HEW Audit Agency has been assigned audit cognizance.

Develops policies, procedures, standards and criteria relating to audit activities at all levels within the Department.

3. Determines when audits can be most appropriately carried out by Federal organizations outside the HEW Audit Agency or by private organizations and evaluates the results achieved by other organizations.

4. Provides Department Haison with the General Accounting Office and other Federal, State and private auditing organizations on all matters pertaining to audits.

F. The Division of Financial Management Standards and Procedures:

1. Develops policy covering reimbursement of costs incurred by DHEW grantees and contractors. These policies apply to such matters as hospitalization rates for research patients, indirect cost rates for grants and contracts with nonprofit institutions, State departments, and local governments; and cover approval of state-wide cost allocation plans on behalf of the Department's operating agencies and other Federal Departments.

2. Serves as a source of technical advice and expertise available to other parts of the Office of the Secretary, to the National Institutes of Health, to the Office of Education, to State and local governments, and to universities. This work entails determining most appropriate methods of allocating operational costs; refining and clarifying methodology of cost allocation studies; developing tests on reliability of effort reporting; conducting in-depth studies at institutions which use the cost allocation management techniques.

Section 1W.30 Delegations of Authortty. A. Except as specifically delegated or assigned to other officials of the Department (not under the supervision of the Assistant Secretary, Comptroller) or reserved elsewhere in the Organization Manual, the Assistant Secretary, Comptroller, is authorized to perform all functions of the Secretary in the field of financial management. These functions shall include, but not be restricted to, the authority to:

1. Review and approve the following for the Department prior to submission to the Office of Management and Budget and the Congress: Apportionment and Reapportionment Schedules (SF 132 or SF 142) and Status of Apportionment (SF-133 or SF-143), provided that those indicating a need for a deficiency or supplemental appropriation shall be approved by the Secretary prior to submission.

Make primary allotment for appropriations made to organizational units of

the Office of the Secretary.

 Allocate to operating agencies and other organizational units of the Department funds for programs in which more than one operating agency of the Department participates.

 Approve appropriation transfer authorizations involving intra- and interdepartmental transfers of funds.

5. Approve the establishment of working funds and working capital funds

within the Department.

6. Designate certifying officers in the Department pursuant to Public Law 389, approved December 29, 1941, and to revoke such authorizations. To designate such officers and employees of the Department as are required to be bonded to the United States and to certify such officers and employees to the disbursing office of the Treasury Department, and to revoke such designations.

 Authorize travel advances (see Travel Manual, Chapter 2-10).

8. Review all reports of violations in the Department under the Administrative

Control of Funds regulations.

9. Determine the appropriation or fund to be charged with any award, compromise, or settlement made by the Attorney General pursuant to 28 U.S.C. 2677, if such award, compromise, or settlement cannot reasonably be charged in its entirety to the appropriation or fund which finances the organization or activity which employs the individual whose negligence resulted in the claim or suit.

 Approve the reprogramming and/ or redistribution of funds between projects, programs and activities within a single appropriation fund or account.

- 11. Establish a consolidated appropriation in each agency for discretionary funds to be used in support of integrated funding for projects which cut across categorical program lines.
- 12. Approve the issuance of Department manuals relating to audit, budget, accounting, travel and transportation, and any other Department manuals prescribing policies and procedures relating to budgetary and financial management.
- B. In exercising the authority described in Section 1W.30, the Assistant Secretary, Comptroller, as he deems appropriate, may:

1. Redelegate any portion thereof:

2. Authorize further redelegations:

3. Supersede or modify, in whole or in part, in accordance with established procedures, any directives (orders, instructions, delegations, etc.) issued prior to this date by the Secretary or the Federal Security Administrator relating to such subject matter.

CHAPTER 1W0501—DIVISION OF OS BUDGET SERVICES

Section 1W0501.00 Mission. The Division of OS Budget Services is responsible for the formulation, presentation, and execution of the Office of the Secretary budget and is the focal point for all budget and fiscal matters for the various offices that comprise the Office of the Secretary.

Section 1W0501.10 Organization. The Director, Division of OS Budget Services reports directly to the Deputy Assistant

Secretary, Comptroller.

Section 1W0501.20 Functions. A. The Director, Division of OS Budget Services, serves as budget officer and principal financial management adviser to the Office and Division Chiefs within the Office of the Secretary.

B. In performance of its functions the

Division:

1. Participates in planning, directing and coordinating financial and budgetary programs of the Office of the Secretary.

2. Directs and provides technical guidance to administrative officers in preparing budgets. Coordinates individual budgets for preparation of a single budget document for presentation to Departmental management, the Office of Management and Budget and the Congress.

3. Assists in planning and presentation of the budget before the Office of Management and Budget and the Congress and develops materials for key members of the Office of the Secretary in testimony at hearings before these

bodies.

4. Reviews the budget as approved by Congress and recommends a financial plan for its execution. Makes allocations to constituent offices within the guidelines of the approved financial plan.

 Develops and maintains budgetary controls to insure observance of established ceilings on both funds and personnel.

- 6. Prepares requests for apportionment of appropriated funds. Maintains control of allotted funds against current obligations. Maintains and monitors subsidiary expenditure control for appropriations in the Office of the Secretary, including separate plans for each of the Regional Offices.
- Provides analysis and coordination of accounting reports of the various accounting points in the Office of the Secretary.
- Develops financial operating procedures and manuals. Assures implementation within the Office of the Secretary of Departmental and Federal fiscal policies and procedures.

DEPUTY ASSISTANT SECRETARY, BUDGET

Section 1W10.00 Mission. The Deputy Assistant Secretary, Budget is the principal adviser to the Assistant Secretary, Comptroller on matters pertaining to formulation, analysis, and presentation of budgets, reprogrammings, consolidated funding, and other mechanisms relating to the optimum direction and coordination of the financial resources of the Department.

Section 1W10.10 Organization. The Deputy Assistant Secretary, Budget reports to the Assistant Secretary, Comptroller and his Office includes the following:

1. Immediate Office.

2. Division of Health Budget Analysis.
3. Division of Education Budget Anal-

4. Division of Welfare Budget Analysis.

5. Division of Budget Review.

Section 1W10.20 Functions. The Deputy Assistant Secretary, Budget:

A. Encourages sound budgetary practices throughout the Department through the provision of technical guidance and training to agency budget staffs.

B. Prepares and issues Department-

wide budgetary policies.

C. Promulgates uniform budgetary standards, classifications, and terminologles.

D. Evaluates budgetary proposals, including the identification of major issues, and formulates, where appropriate, alternative budgetary strategies.

E. Develops the annual budget and other budgetary and financial documents

as required.

F. Explains and interprets the HEW budget and other appropriations matters to the Office of Management and Budget, Committees of Congress, and other interested parties.

G. Participates in the Department's planning and evaluation process, particularly in the establishment of long-range resource requirements, the setting of agency planning ceilings, and the identification and resolution of policy issues which cut across agency lines. Comments on draft regulations and reorganization proposals.

H. Administers a Department-wide system for control of employment cell-

I. Reviews and approves requests for reprogrammings, transfer of funds, and other mechanisms relating to the funding of approved programs.

J. Conducts special studies and analyses of budgetary and related processes.

K. Plans, implements, and coordinates a Department-wide system designed to provide consolidated funding support for integrated social research and services projects.

CHAPTER 1W1006—DIVISION OF HEALTH BURGET ANALYSIS

> CHAPTER 1W1007—DIVISION OF EDUCATION BUDGET ANALYSIS

CHAPTER 1W1008—DIVISION OF WELFARE BUDGET ANALYSIS

Section 1W1006-1W1008.00 Mission. The Divisions of Budget Analysis direct and coordinate development and preparation of budgets, estimates and forecasts of resources required to support operations and activities of a given program area of the Department. The Divisions assist the Deputy Assistant Secretary, Budget and, through him, the Assistant Secretary, Comptroller and top management of the Department in evaluating and acting upon program and budget proposals. Division staff members assist the Secretary in presenting and justifying budgets submitted to OMB and to Congressional Committees on Appropriations

Section 1W1006-1W1008.10 Organization. The Divisions of Budget Analysis are headed by Directors who report to the Deputy Assistant Secretary, Budget. The Directors are assisted by a staff of budget analysts and supporting personnel who are assigned responsibility for specific programs of the Department.

Section 1W1006-1W1008.20 Functions. The Divisions of Budget Analysis provide staff assistance to the Secretary, the Under Secretary, the Comptroller and heads of operating agencies in the budgetary management of the Department. In the performance of this function, the

Divisions:

1. Direct and coordinate the preparation of budget estimates and forecasts of resources required to support programs and activities of the Department; concurrent with development of the regular budget, work together with the Office of the Assistant Secretary for Planning and Evaluation to prepare the five-year program and financial plan and other longrange financial plans and revisions. Participate in the DHEW planning and evaluation process. Prepare recommendations for the Deputy Assistant Secretary, Budget on draft regulations and reorganization proposals.

2. Assist the Deputy Assistant Secretary, Budget, the Assistant Secretary, Comptroller, heads of operating agencies, the Under Secretary and the Secretary in the evaluation of programs and budgetary proposals with emphasis given to identification of issues, development of alternative proposals, development of reliable cost projections to price out legislative and planning proposals, and appraisal of proposals for consistency with

approved plans and policies.

3. Work in conjunction with the Division of Budget Review to monitor and develop financial planning and budgetary management systems in the HEW operating agencies.

4. Provide substantive guidance, advice, assistance, and training to budget formulation for staff offices and operat-

ing agencies.

5. Prepare special analyses as necessary in the process of budget formulation and presentation.

6. Keep staff offices and operating agencies currently informed on substantive budget developments in their program areas.

CHAPTER 1W1010-DIVISION OF BUDGET REVIEW

Section 1W1010.00 Mission. The Division of Budget Review is responsible for

analyzing the Departmental budget process and coordinating the formulation and presentation of the DHEW budget. The Division develops policies and guidelines for funding under Continuing Resolutions: reviews reprogramming requests and recommends actions on them; develops and manages a Departmental reporting system to relate employment ceilings to personnel on duty, and operates a Department-wide consolidated funding system.

Section 1W1010.10 Organization, The Division is headed by a Director who reports to the Deputy Assistant Secretary, Budget. The Director supervises a staff of analysts and supporting personnel or-

ganized into two Branches:

1. Budget Standards and Presentation Branch

2. Manpower Allocation Branch. Section 1W1010.20 Functions, A. The Budget Standards and Presentation Branch:

1. Develops and issues Departmentwide budget formulation procedures and provides technical guidance and training to agency budget staffs.

2. Promulgates uniform budget standards, classification, and terminology. Develops guidelines and procedures for preparation of annual budget and supplemental requests and related documents and manages the preparation of these documents.

3. Identifies special program needs under funding authorized by Continuing Resolution; interprets provisions of the Continuing Resolution and issues instructions for financial operations under

Continuing Resolution.

4. Reviews and recommends actions on reprogramming requests, obtaining the advice of the Division of Budget Analysis for the given program area and recommends whether Congressional approval should be sought.

5. Reviews and evaluates consolidated funding applications; assists applicants in obtaining technical assistance from program staff; identifies HEW programs with interest in the proposals; develops funding matrices; and assigns applications to appropriate agencies and staff elements for review.

6. Reviews and recommends actions for special unbudgeted initiatives and

identifies funding sources.

7. Establishes and monitors policies and procedures to govern application of agency evaluation funds to assure that expenditures are consistent with Congressional intent and that they conform to sound administrative practice.

8. Reviews proposals for transfer of positions and dollars between appropriations in support of functional transfers; coordinates the documents necessary to

accomplish these transfers. B. Manpower Allocation Branch:

1. Develops and manages a Department-wide reporting system which relates employment ceilings to personnel on duty and organizational location.

2. Carries out responsibility shared with the Office of the Assistant Secretary for Administration and Management for reviewing budget and other submissions bearing on manpower and developing recommendations for the Secretary and Under Secretary.

3. Reviews recommendations resulting from individual manpower utilization studies made by agencies and/or by the Assistant Secretary for Administration and Management.

4. On a selective basis, reviews manpower utilization studies in depth where major budgetary issues or specific problems appear.

DEPUTY ASSISTANT SECRETARY, FINANCE

Section 1W09.00 Mission. The Deputy Assistant Secretary, Finance provides guidance and leadership on budget execution, accounting systems, financing and financial and cost reporting. He is the principal advisor to the Assistant Secretary, Comptroller in these areas.

Section 1W09.10 Organization. The Deputy Assistant Secretary, Finance reports to the Assistant Secretary, Comptroller, and his Office includes:

1. Immediate Office.

Division of Accounting Operations. 3. Division of Accounting Systems and

Procedures. 4. Division of Financial Operations

and Fiscal Procedures. 5. Division of Financial Planning and

Analysis. Section 1W09.20 Functions. The Dep-

uty Assistant Secretary, Finance: A. Develops and executes, in coordination with the Deputy Assistant Secretary. Budget, spending policies and procedures related to efficient and effective execution of the budget, including development of Departmental spending plans under Continuing Resolutions and regular appropriations, oversight of preparation of Treasury warrants and apportionments, and specific studies and appraisals of financial aspects of program operations in areas identified by the Secretary, the Under Secretary, and other top management officials.

B. Establishes and maintains a Departmental system of financial operating plans, including related reporting policies, procedures, and analyses.

C. Develops and manages a Department-wide system for estimating and controlling outlays, including allocation of outlay ceilings, and development of estimating methodology, practices, and procedures. Works with the Deputy Assistant Secretary, Budget, to provide budget outlay estimates for presentation to the Office of Management and Budget and the Congress.

D. Develops and issues Department wide policies and procedures relating to fiscal, cost, travel, and accounting activities, including the Department Accounting Manual. Approves individual agency accounting manuals and systems and coordinates relationships with the General Accounting Office concerning these manuals and systems.

E. Develops and executes policies and procedures relating to the expenditure and collection of funds administered by the Department, including fiscal, accounting, and related reporting policies and procedures which apply to recipients of HEW grants, contracts, and loans.

F. Establishes uniform standards, policles, classifications, and terminologies to be used throughout the Department in budget execution, and financial and cost reporting.

G. Develops and maintains management data collection and reporting systems on programs, activities, and operations of the Department (including the operating agencies) as may be necessary to insure sound financial manage-

ment of the Department.

H. Represents the Department in its relationships with the Office of Management and Budget. Treasury Department. General Accounting Office, General Services Administration, and other Federal agencies, inter-departmental committees and boards, intra-agency advisory committees or groups on budget execution, accounting, and financial reporting. Oversees Departmental implementation of central agency directives relating to budget execution, fiscal, and accounting

I. Provides fiscal, accounting, and financial reporting services for the Office of the Secretary, and upon request, for the operating agencies. Provides systems and operational support for the Regional

Accounting System.

Section 1W09.30 Delegation of Authority. A. Except as specifically delegated or assigned to other officials of the Department (not under the supervision of the Deputy Assistant Secretary, Finance) or reserved elsewhere in this Manual, the Deputy Assistant Secretary, Finance is authorized to perform all functions of the Assistant Secretary, Comptroller in the area of accounting and financial reporting. These functions shall include, but not be restricted to, the authority to:

1. Approve the issuance of Department manuals relating to accounting, payroll, travel and transportation, and any other Department manuals prescribing policies and procedures relating to accounting

and financial reporting.

2. Designate cashiers and certifying officers in the Department and revoke such designations; certify such officers and employees to the disbursing office of the Treasury Department and revoke such designations; and resolve by appropriate administrative action cash and fund loss irregularities amounting to less than \$150.

3. Approve appropriation transfer authorizations involving intra- and interdepartmental transfers of funds.

B. In exercising the authority described in this Section, the Deputy Assistant Secretary, Finance may:

- 1. Redelegate any portion thereof;
- 2. Authorize further redelegations:
- 3. Supersede or modify in whole or in part any directives (orders, instructions, delegations, etc.) heretofore issued.

CHAPTER 1W0901-IMMEDIATE OFFICE-DEPUTY ASSISTANT SECRETARY, FINANCE

Section 1W0901.00 mission. The Immediate Office, together with the Divisions that comprise the Office of the De-

puty Assistant Secretary, Finance, provides Departmental leadership on budget execution, accounting systems, financing, and financial and cost reporting.

Section 1W0901.10 organization. In addition to the Deputy Assistant Secretary, Finance, the Immediate Office includes:

1. Departmental Fiscal Policy Officer. 2. Financial Officer, Working Capital

Fund

Section 1W0901.20 Functions, A. The Departmental Fiscal Policy Officer is responsible for the development of Departmentwide fiscal policies, principles and standards in areas other than travel and voucher examination. Serves as the principal staff adviser on fiscal matters to the Deputy Assistant Secretary, Finance.

B. The Financial Officer, Working Capital Fund advises the Deputy Assistant Secretary, Finance on all matters pertaining to the financial integrity of the Working Capital Fund, and oversees the financial management of the fund as it is operated by Working Capital Fund Activities. Serves as Executive Director to the Board of Governors, Working Capital Fund.

## CHAPTER 1W0902-DIVISION OF ACCOUNTING OPERATIONS

Section 1W0902.00 Mission. The Division of Accounting Operations provides accounting, financial reporting, and fiscal services for the Office of the Secretary, which includes the Working Capital and Consolidated Funds, Office of Child Development, Departmental Management, and the Office of Civil Rights.

Section 1W0902.10 Organization. The Division of Accounting Operations is composed of a staff of accountants and supporting personnel under the direction of the Director, Division of Accounting Operations, who reports to the Deputy Assistant Secretary, Finance.

Section 1W0902.20 Functions. A. The Division of Accounting Operations:

1. Develops and maintains the accounting manual for the Office of the Secretary in conformance with the Department Accounting Manual.

2. Maintains official records and ac-

counts for the Office of the Secretary. 3. Maintains appropriation and obligation records and accounts for the

Office of the Secretary. 4. Establishes and maintains financial

controls over cash, accounts receivable, property and other assets. 5. Develops reporting systems and pre-

pares financial and cost reports covering activities of the Office of the Secretary.

6. Examines and pays vendor invoices, transportation and other bills.

- 7. Examines and pays travel vouchers for employees in the Office of the Secre-
- 8. Provides cashier services to the Office of the Secretary.
- 9. Provides billing activities for the Department Working Capital Fund.
- 10. Provides accounting and reporting acivities for the Department's Centralized Payroll.

CHAPTER 1W0903-DIVISION OF ACCOUNTING SYSTEMS AND PROCEDURES

Section 1W0903.00 Mission, The Division of Accounting Systems and Procedures performs staff work for the Department in the development of accounting policy, systems, and procedures. It monitors agency systems to insure conformance with Departmental policy and advises the Deputy Assistant Secretary, Finance and the Assistant Secretary, Comptroller on questions pertaining to financial operations.

Section 1W0903.10 Organization. The Division of Accounting Systems and Procedures consists of a staff of systems and operating accountants and supporting staff and is headed by a Director who reports to the Deputy Assistant Sec-

retary, Finance.

Section 1W0903.20 Functions. The Division of Accounting Systems and Procedures provides Department-wide leadership for accounting policy, systems, and procedures as well as policy relative to grantee and contractor accounting requirements and reporting. The Division performs the following functions:

- 1. Develops fiscal and accounting policy and procedures for Departmentwide application, promulgates these procedures, as well as other Government-wide financial procedures through the Department manual system. Has specific responsibility for developing and issuing Department Accounting Manuals to prescribe principles and standards governing DHEW accounting activities in the areas of fiscal and fund accounting, aspects of financial reporting, general ledger, cost accounting, accrual accounting, property accounting and grantee and contractor accounting and reporting.
- Conducts financial management studies and surveys relative to the above areas and assists staff offices and operating agencies in the design, installation and improvement of their accounting systems and operations.

3. Provides advice and assistance to staff offices and operating agencies on

accounting and fiscal matters.

4. Serves as principal staff adviser to the Deputy Assistant Secretary, Finance on accounting and fiscal matters.

5. Maintains liaison with the Office of Management and Budget, the General Accounting Office, and the Treasury Department and other agencies on matters involving accounting policy and procedures or grantee or contractor accounting or reporting and such other matters as the Deputy Assistant Secretary, Finance may designate.

6. Reviews and drafts Departmental reports on Congressional bills affecting aspects of financial management.

7. Maintains continual review agency accounting systems to assure compliance with Department accounting systems concepts, and legal and General Accounting Office requirements.

8. Conducts or performs research projects in fiscal accounting and topics of

financial management.

9. Develops and issues policy concerning fiscal and other financial management matters involving the HEW Regional accounting operations and has technical jurisdiction over such matters as concern the Regional operations.

10. Provides financial technical assistance to Regional operations, agencies, grants management fund, central payroll, financial management information systems development and other central systems as may be necessary.

CHAPTER 1W0905-DIVISION OF FINANCIAL PLANNING AND ANALYSIS

Section 1W0905.00 Mission. The Division of Financial Planning and Analysis has Department-wide responsibility for review, analysis and appraisal of financial elements of program execution; for development and execution of policies related to efficient and effective allocation, expenditure and control of funds; for development and management of a system for estimating and controlling outlays: and for development and maintenance of a system of fiscal reporting to the Office of Management and Budget, the Department of the Treasury and the General Services Administration.

Section 1W0905.10 Organization. The Division of Financial Planning and Analysis consists of a staff of budget analysts, systems and operating accountants, and supporting staff under the supervision of a Director responsible to the Deputy Assistant Secretary,

Finance.

Section 1W0905.20 Functions. The Division of Financial Planning and Analysis provides Departmental leadership in the areas of budget execution, financial operating plans, outlay estimating, expenditure control and fiscal reporting.

Specifically, the Division:

A. Establishes and maintains a Department-wide budget execution system. Develops and administers uniform standards, classifications and procedures which will (1) distribute and apply resources consistent with Department policy and with the budget as approved by the Congress and (2) assure adequate controls of such resources at the operating agency level.

B. Develops and executes Department-wide policies for efficient and effective allocation and expenditure of funds administered by the Department, Plans, organizes and directs special studies of organizations and processes for the purpose of improving methods and procedures from the standpoint of better financial management of HEW

resources.

C. Develops and maintains a Departmental system of financial operating plans, including development of reporting policies and procedures. Analyzes variances between agencies' plans and performance and, based on the analysis, identifies issues for attention of the Secretary, the Under Secretary and other top Departmental officials.

D. Establishes and maintains a Department-wide system of outlay esti-mates and projections in support of formulation and execution of the budget.

Develops and maintains a Departmentwide system of controls over outlays to assure adherence to congressional and Presidential ceilings and reductions in outlays. In coordination with Divisions of Budget Analysis, prepares reduction plans, as required, which minimize adverse impact on the Department's programs.

E. Assists the Division of Budget Review in the development of policies for Departmental operations under continuing resolutions pending enactment of regular appropriations. In light of these policies, and in cooperation with Divisions of Budget Analysis, develops and administers Departmental spending

F. Reviews agency Treasury warrant requests and apportionment and reapportionment schedules and develops recommendations, in cooperation with Divisions of Budget Analysis, to the Deputy Assistant Secretary, Finance, and the Deputy Assistant Secretary, Comptroller, before their submission to the Department of the Treasury and the Office of Management and Budget

G. Develops and maintains a system of fiscal reporting to meet the reports requirements of the Office of Management and Budget, the Department of the Treasury and the General Services Administration.

H. Prepares periodic and special reports on the status of Departmental budget execution

I. Develops and administers policy and procedures for interagency and interdepartmental arrangements for transfer

J. Responds to inquiries from the Congress, the Executive Branch, and the public for information on funds expended by the Department, the status of programs or projects and other financial matters related to budget execution.

K. Maintains and periodically updates the Catalog of Federal Domestic Assistance as required by the Office of Management and Budget.

CHAPTER 1W0906-DIVISION OF FINANCIAL OPERATIONS AND FISCAL PROCEDURES

Section 1W0906 Mission. The Division of Financial Operations and Fiscal Procedures performs staff work for the Department in the development and operation of financial geographic reporting systems, the regional accounting and reporting system and the Central Registry system. It establishes fiscal policy and procedures on travel and voucher examination for Department-wide application and compliance.

Section 1W0906.10 Organization. The Division of Financial Operations and Fiscal procedures consists of a staff of systems and operating accountants and other specialists under the supervision of a Director responsible to the Deputy

Assistant Secretary, Finance.

Section 1W0906.20 Functions. The Division of Financial Operations and Fiscal Procedures provides Departmental leadership in the areas of financial geographic reporting systems; regional accounting and Central Registry sys. tems and policy and procedures on travel and voucher examination. The Division performs the following functions:

1. Develops travel and transportation polices for Department-wide application and promulgates these policies through the Department manual system Develops and issues the HEW travel manual, which identifies and prescribes the full range of policies and procedures to apply to travel, transportation and related activities of all HEW operations

2. Develops fiscal policies and procedures on voucher examination and related activities for Department-wide anplication and promulgates these policies through the Department manual system. Issues the HEW Voucher Examination Manual to prescribe policies and procedures governing fiscal activities to all HEW voucher examination offices.

3. Develops and maintains geographic information reporting systems to provide specialized, timely, accurate and meaningful financial Federal domestic assistance data for dissemination through-

out the Department.

4. Develops and implements methods and techniques to enable quick responses to the many requests for financial geographic data from top-level management in the Department, the Congress and the general public.

5. Develops policies and procedures for a Central Registry System, which maintains an address file and related data for recipients of DHEW assistance funds, and for use of these data in other systems

of the Department.

6. Maintains and operates the automated Regional Accounting System, Controls all systems operations beginning with regional input, the processing stage and output reports. Assures the proper interface with supporting sub-systems.

7. Provides liaison with the Regions and DHEW operating Agencies on matters relating to regional accounting system and equipment problems; and provides technical assistance where neces-

8. Represents HEW with the Office of Management and Budget, the General Accounting Office, the General Services Administration, the Department of Treasury and other Federal agencies on matters relating to travel, voucher examination, regional accounting and financial geographic reporting.

9. Reviews and drafts Department reports on Congressional bills affecting travel, transportation, voucher examination and financial geographic reporting.

## HEW AUDIT AGENCY

Section 1W13.00 Mission. The HEW Audit Agency is responsible for the development and maintenance of a comprehensive audit program for the Department and its operating agencies. In brief, the Agency's mission is to determine whether the Department's operations are being conducted economically and efficiently, and to provide a reason able degree of assurance that Federal funds are being expended properly and for the purpose for which they were appropriated. The HEW Audit Agency serves as principal advisor to the Secretary and top Department officials in this area.

Section 1W13.10 Organization. A. The HEW Audit Agency is comprised of a staff of auditors and supporting administrative personnel under the supervision of a Director responsible to the Assistant Secretary, Comptroller, The Director shall have direct access to the Secretary, however, when he deems this necessary to the fulfillment of his responsibilities. The Agency consists of:

1. Immediate Office of the Director.

2. Division of State and Local Audits. 3. Division of University and Nonprofit Audits.

4. Division of Social Security Audits.

5. Division of Audit Coordination. 6. Regional Audit Offices, Washington

Area Audit Office, and their staffs. B. During the absence of the Director, the Deputy Director serves as Acting Di-

rector.

Section 1W13.20 Functions. A. The HEW Audit Agency provides staff assistance to the Secretary, Assistant Secretaries, and operating agency officials in the development and conduct of comprehensive audits which include examinations of the Department and its grantees and contractors.

B. In the performance of its mission,

the Audit Agency:

1. Develops policies, procedures, standards, and criteria relating to audit activities at all levels within the Department

2. Develops general and special audit programs as may be necessary to provide appropriate audit and examination of programs and activities performed by the Department and its operating agencies.

3. Determines when audits and examinations can be most appropriately carried out by organizations outside of the HEW Audit Agency, including other agencies of Government, or by private

organizations.

4. Evaluates the adequacy of audits performed for the Department by organizations outside the HEW Audit Agency to determine that such audits are being conducted in consonance with Department objectives.

5. Conducts comprehensive audits of all Department programs, activities, and functions including those carried out by and through the Department's grantees

and contractors.

6. Prepares and disseminates reports of audits, examinations, and studies to the Secretary, operating agencies, and others who may be concerned in a par-

ticular audit or study.

7. Accumulates and provides operating agencies with data concerning audit reports and uncleared audit findings. This data serves as the basis for each operating agency's Stewardship Report to the Secretary. Evaluates the Stewardship Reports and provides the Secretary and other key Department officials with an analysis of the significant man-

agement decisions being made as a result of audit.

8. Conducts followups and special analyses to determine propriety of action taken on previous audit findings and recommendations.

C. Reviews legislative and program proposals for audit implications and evaluates their conformity and consistency with established audit policy.

D. As requested by the Department's operating agencies, performs special reviews of grant or contract proposals for the purpose of determining financial capabilities of grantees or contractors.

E. In the interest of economy and interdepartmental cooperation, performs audits of programs and activities administered by other Federal departments and agencies that involve participation by institutions of higher education and State and local governments.

F. Provides necessary Departmental liaison with the General Accounting Office and other Federal, State, and private auditing organizations on all matters pertaining to audits. With respect to General Accounting Office audits and investigations of Department Activities:

1. Reviews drafts and final reports covering Department activities and advises the Secretary and his staff of sig-

nificant findings.

2. Reviews all replies to GAO reports prior to release and secures necessary clearance within the Office of the Secretary.

3. Performs followup reviews to determine propriety of action taken with respect to GAO recommendations.

4. Maintains liaison with representatives of the Office of Management and Budget and others regarding General

Accounting Office reports.

G. Collaborates with and provides assistance to the Office of Grant and Procurement Policy in the execution of its responsibilities for the development of grant management and administration policy. Supports the Division of Financial Management Standards and Procedures in its responsibility for formulating policy to govern establishment of indirect cost rates.

H. Functions of Audit Agency Divi-

sions are as follows: 1. Division of Audit Coordination.

a. Develops agency-wide audit policies, procedures and instructions.

b. Develops agency-wide work plans, audit schedules and audit priority adjustments for budgetary and operating purposes.

c. Coordinates processing of GAO re-

ports and letters.

d. Maintains liaison with other Federal audit organizations in determining audit cognizance and arranging for cross-servicing.

2. Division of Social Security Audits.

- a. Develops technical standards and policies for audit of programs and activities of the Social Security Administration.
- b. Develops audit programs to evaluate effectiveness of all aspects of the administration of Social Security programs.

c. Reviews issued audit reports and visits regional offices and audit sites to appraise technical adequacy of and provide technical assistance on Social Security audits.

d. Develops consolidated reports to top management based on audit findings on Social Security activities.

e. Maintains liaison with headquarters officials on Social Security audit

matters

3. Division of State and Local Audits. Division of University and Nonprofit Audits.

Each of the above Divisions is responsible, in its assigned area, for:

a. Developing technical standards and policies for audits.

b. Developing audit programs to evaluate effectiveness of operations.

c. Reviewing issued audit reports and visiting regional offices and audit sites to appraise technical adequacy of audits and to provide technical assistance on audits.

d. Developing consolidated reports and other reports to top management based

on audit findings.

e. Maintaining liaison with headquarters officials on audit matters.

DIVISION OF FINANCIAL MANAGEMENT STANDARDS AND PROCEDURES

Section 1W14.00 Mission. The Division Financial Management Standards and Procedures is responsible for developing, reviewing and monitoring the implementation of Department policies and procedures on reimbursement of costs incurred by DHEW grantees and contractors.

Section 1W14.10 Organization. The Division of Financial Management Standards and Procedures consists of the Director of that office, who is responsible to the Assistant Secretary, Comptroller, and of a staff of accountants and supporting personnel

Section 1W14.20 Functions. In fulfilling its mission, the Division performs the following functions:

1. Formulates policies and procedures for determining and reimbursing the costs of grantee/contractor institutions applicable to DHEW awards, including such procedures as are necessary for indirect cost and similar cost negotiations. Performs such functions for all other Federal agencies as delegated by the General Services Administration or the Office of Management and Budget.

2. Monitors and provides assistance relative to the activities of Regional Offices and operating agencies in implementing policies and procedures formulated by the Division; works to assure compliance and uniform interpre-

3. Provides guidance to grantees and contractors on problems concerning cost allocations to DHEW grants and contracts.

4. Conducts and participates in selected studies and projects relating primarily to questions on indirect costs such as the development of program cost-finding systems, financial management problems of grantee/contractor institutions, and the effects of legislation and Department policies on the operations and financial health of grantee/ contractor institutions.

5. Reviews new or proposed legislation and program regulations to assure compliance with Department financial policies and compatibility with Department financial management objectives; identifies the need for new or revised Department financial policies and pro-

cedures.

6. Maintains Ilaison with the Office of Grants and Procurement Policy to assure that financial management policies are consistent with and conform to general grant and contract policies and procedures as established by the Assistant Secretary for Administration and Management; provides recommendations to the Office of Administration and Management on the development of general grant/contract policies.

7. Serves as the Department's liaison with and provides recommendations through the Assistant Secretary, Comptroller to the Office of Management and Budget, General Services Administration, Cost Accounting Standards Board, and other Federal agencies on the development of Government-wide financial management policies related to the administration of grant/contract programs; participates in the formulation of these policies.

Dated: November 27, 974.

JOHN OTTINA,
Assistant Secretary for
Administration and Management.

[FR Doc.74-28426 Filed 12-4-74:8:45 am]

## DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration [FRA Waiver Petition Docket No. RSFC-74-6]

## NORFOLK AND WESTERN RAILROAD

#### Hearing

The Norfolk and Western Railway Company (N&W) has petitioned the Federal Railroad Administration (FRA) for exemption from the periodic lubrication requirements of FRA regulations (49 CFR 215.99). The exemption is sought in order to complete a test initiated by the N&W in the late 1960's on some 13.000 low mileage hopper cars.

The Railroad Safety Board has decided to approve a request by the United Transportation Union and has voted to hold a public hearing before entering its decision in this matter. Accordingly, a public hearing is hereby set for 10 a.m. on December 19, 1974, Room 10330 Nassif Building, 400 Seventh Street, SW., Washington, D.C.

The hearing will be an informal one, and will be conducted in accordance with Rule 31 of the FRA rule-making procedures (49 CFR 211.31), by a representative designated by the Board.

The hearing will be a nonadversary proceeding and, therefore, there will be no cross-examination of persons presenting statements. The representatives of the Board will make an opening statement outlining the scope of the hearing. After all initial statements have been completed, those persons who wish to make brief rebuttal statements will be given the opportunity to do so in the same order in which they made their initial statements. Additional procedures, if necessary, for the conduct of the hearing will be announced at the hearing.

Issued in Washington, D.C. on December 2, 1974.

EDWARD F. CONWAY, Jr., Assistant Chief Counsel for Safety Regulation.

[FR Doc.74-28472 Filed 12-4-74;8:45 am]

# ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

COMMITTEE ON AGENCY ORGANIZATION AND PERSONNEL

## **Notice of Meeting**

Pursuant to the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given of a meeting of the Committee on Agency Organization and Personnel of the Administrative Conference of the United States, to be held at 10:30 a.m. on December 12, 1974, in the Office of the Administrative Conference of the United States, 2120 L Street, NW., Suite 500, Washington, D.C. 20037.

The Committee will meet to consider a proposed recommendation regarding the role of the Chairman in the independent regulatory commissions.

Attendance is open to the interested public, but limited to the space available. Persons wishing to attend should notify this office at least one day in advance. The Committee Chairman may, if he deems it appropriate, permit members of the public to present oral statements at the meeting; any member of the public may file a written statement with the Committee before, during or after the meeting.

Notice of this meeting has been delayed because of schedule uncertainty attendant upon the postponement of the plenary session of the Conference. For further information concerning this Committee meeting contact Mr. Richard K. Berg (Phone: 202-254-7020). Minutes of the meeting will be available on request.

> RICHARD K. BERG, Executive Secretary.

DECEMBER 3, 1974.

[FR Doc.74-28491 Filed 12-4-74;8:45 am]

## ATOMIC ENERGY COMMISSION

[Dockets Nos. 50-250 and 50-251]

FLORIDA POWER AND LIGHT CO. Issuance of Amendments to Facility Operating Licenses

Notice is hereby given that the U.S. Atomic Energy Commission (the Com-

mission) has issued Amendments No. 5 and No. 4 respectively, to Facility Operating Licenses Nos. DPR-31 and DPR-41 issued to Florida Power and Light Company which revised the Technical Specifications for operation of the Turkey Point Nuclear Generating Units 3 and 4, located in Dade County, Florida The amendments are effective as of the date of issuance.

These amendments apply the present Unit 3 Cycle 1 fuel residence limit to the initial portion of Cycle 2, thus making it possible for Unit 3 to return to operation while the Commission is considering the issuance of further amendments as noticed in the Federal Register on November 12, 1974 (39 FR 39902). The operating limits for Unit 4 set forth in its Technical Specifications remain unchanged although the Technical Specifications have been modified to reflect the revisions to the Unit 3 Technical Specifications.

The application for the amendments complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendments.

For further details with respect to this action, see (1) the application for amendments dated November 5, 1974, (2) Amendment No. 5 to License No. DPR-31 and Amendment No. 4 to License No. DPR-41, with any attachments, and (3) the Commission's related Safety Evaluation. All of these items are available for public inspection at the Commission's Public Document Room, 1717 H Street, NW. Washington, D.C., and at the Lily Lawrence Row Public Library, 212 NW First Avenue, Homestead, Florida.

A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Deput Director for Reactor Projects, Directorate of Lincensing—Regulation.

Dated at Bethesda, Maryland, this 26th day of November, 1974.

For the Atomic Energy Commission.

GEORGE LEAR,
Chief Operating Reactors Branch
#3, Directorate of Licensing.

[FR Doc.74-28423 Filed 12-4-74;8:45 am]

[Docket Nos. 50-460 and 50-513]

## WASHINGTON PUBLIC POWER SUPPLY SYSTEM

## Availability of AEC Draft Environmental Statement

Pursuant to the National Environmental Policy Act of 1969 and the United States Atomic Energy Commission's regulations in 10 CFR Part 51, notice is hereby given that a Draft Environmental Statement prepared by the Commission's Directorate of Licensing related to the proposed WPPSS Nuclear Project No. 1 and No. 4, to be constructed by

Washington Public Power Supply System in Benton County, Washington is available for inspection by the public in Commission's Public Document Room at 1717 H Street, NW., Washington, D.C. and at the Richland Public Library, Swift and Northgate Streets, Richland, Washington 99352. The Draft Statement is also being made available at the Office of the Governor, State Planning and Community Affairs Agency, Olympia, Washington 98504 and the Benton Franklin Governmental Conference, 906 Jadwin Avenue, Richland, Washington 99352. Copies of the Commission's Draft Environmental Statement may be obtained by request addressed to the U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Deputy Director for Reactor Project, Directorate of Licensing-Regulation

The Applicant's Environmental Report, as supplemented, submitted by Washington Public Power Supply System is also available for public inspection at the above-designated locations. Notice of availability of the Applicant's Environmental Report for WPPSS Nuclear Project No. 1 (WNP-1) was published in the Federal Register on December 21, 1973 (38 FR 35037). On September 18, 1974 (39 FR 33588) the availability of Amendment No. 1 to the Applicant's Environmental Report which relocated WNP-1 to another site and added an additional unit, WPPSS Nuclear Project No. 4 (WNP-4), was noticed in the FEDERAL REGISTER.

Pursuant to 10 CFR Part 51, interested persons may submit comments on the Applicant's Environmental Report, as supplemented, and the Draft Environmental Statement for the Commission's consideration. Federal and State agencies are being provided with copies of the Applicant's Environmental Report and the Draft Environmental Statement Gocal agencies may obtain these documents upon request). Comments are due by January 20, 1975. Comments by Federal, State, and local officials, or other persons received by the Commission will be made available for public inspection at the Commission's Public Document Room in Washington, D.C. and the Richland Public Library, Swift and Northgate Streets, Richland, Washington 99352. Upon consideration of comments submitted with respect to the draft environmental statement, the Regulatory staff will prepare a final environmental statement, the availability of which will be published in the FEDERAL REGISTER.

Comments on the Draft Environmental Statement from interested persons of the public should be addressed to the U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Deputy Director for Reactor Projects, Directorate of Licensing-Regulation.

Dated at Rockville, Maryland, this 29th Albuquerque Operations Office, Kirtland Air day of November 1974.

For the Atomic Energy Commission.

JAN A. NORRIS. Acting Chief for Wm. H. Regan, Jr., Chief, Environmental Projects Branch 4, Directorate of Licensing.

[FR Doc.74-28369 Filed 12-4-74:8:45 am]

## HANFORD WASTE MANAGEMENT **OPERATIONS**

Postponement of Public Hearing Concerning Draft Environmental Impact Statement and Extension of Comment Period

On Monday, September 30, 1974, the Atomic Energy Commission (AEC) in the FEDERAL REGISTER (39 FR 35199) announced the issuance of its Draft Environmental Impact Statement (DES). WASH-1538 entitled "Waste Management Operations Hanford Reservation. Richland, Washington"; requested that comments concerning the DES from interested individuals, organizations and governmental agencies be sent to the AEC by November 26, 1974; announced the scheduling of a public hearing concerning the DES and the Hanford Waste Management Program, starting at 10 a.m. on December 10, 1974 at the Federal Building in Richland, Washington; and set forth the hearing procedures which provide for a three-member Presiding Board to conduct the hearing.

Pending the appointment of a Presiding Board and in response to requests for an expansion of the opportunity for review and comment on the DES, the AEC has decided to postpone the public hearing and extend the time allowed for submission of comments.

Accordingly, notice is hereby given that the public hearing, originally scheduled to begin on December 10, 1974, will be held instead at a date and location to be announced in a further FED-ERAL REGISTER notice. Additionally, the comment period has been extended until December 11, 1974. Requests for further extension will be entertained upon receipt thereof. Comments received by close of business on that date will receive careful consideration in the preparation of the final environmental impact statement. Comments should be sent to the Office of the Assistant General Manager for Biomedical and Environmental Research and Safety Programs, U.S. Atomic Energy Commission, Washington, D.C. 20545. Single copies of the DES will be furnished for review and comment upon request to the same address.

As comments are received copies will be made available for public inspection at the AEC Public Document Room, 1717 H Street NW., Washington, D.C., the Richland Operations Office, Federal Building, Richland, Washington, and at the following locations:

Force Base East, Albuquerque, New Mexico

Chicago Operations Office, 9500 South Cass Avenue, Argonne, Illinois

Idaho Operations Office, 550 Second Street, Idaho Falls, Idaho

Oak Ridge Operations Office, Federal Building, Oak Ridge, Tennessee

San Francisco Operations Office, 1333 Broadway, Oakland, California

Savannah River Operations Office, Savannah River Plant, Aiken, South Carolina

Copies of the DES are available for public inspection at the same locations,

Dated at Germantown, Maryland, this 3rd day of December, 1974. PAUL C. BENDER.

Secretary of the Commission. [FR Doc.74-28616 Filed 12-4-74; 12:10 pm]

## CIVIL AERONAUTICS BOARD

[Dockets 25280, 25513, 26494; Agreement C.A.B. 24008, R-15; Agreement C.A.B. 24024, R-5; Agreement C.A.B. 24233, R-6, Agreement C.A.B. 24265, R-5; Agreement C.A.B. 24713; Order 74-11-153]

### INTERNATIONAL AIR TRANSPORT ASSOCIATION

Agreements on Currency Matters

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 29th day of November, 1974.

An agreement has been filed with the Board, pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations, between various air carriers, foreign air carriers, and other carriers, embodied in the resolutions of the Traffic Conferences of the International Air Transport Association (IATA). The agreement, proposed for effectiveness November 1, 1974, was adopted at the Composite Traffic Conference in San Diego during September, 1974.

The agreement would increase all passenger fares and cargo rates stated in Japanese yen by a uniform four percent as a result of the recent depreciation of the yen vis-a-vis other currencies, including the U.S. dollar.1

There are currently in effect IATA resolutions which impose a three percent surcharge on U.S.-originating North Central Pacific passenger fares and cargo rates, similar to that now proposed for transportation originating in Japan. The three percent surcharge was adopted as a consequence of the U.S. dollar devaluation of February 13, 1973. and reflected the weakening of the dollar relative to the yen and other currencies. The situation is now reversed.

<sup>1</sup> Although IATA transpacific fares and rates are specified in U.S. dollars, Resolutions 021f, 021L and 021LL require payment in the currency of the country of origin, in this case Japanese yen, or an equivalent amount in other currencies converted at current banker's exchange rates.

the dollar having closely approached its pre-devaluation parity, and the carriers conclude that an adjustment in yen

fares is necessary.

Upon careful consideration of the agreement, the Board concludes that the proposed increase in yen fares and rates is warranted, and will be approved. Increases in fares from Japan to other foreign points do not directly affect air transportation as defined by the Act, and would be approved in any event for this

reason. Insofar as transportation to U.S. points is concerned, we note that the current exchange rate (298.78 yen=\$1.00) is roughly equal to the pre-devaluation parity between the two currencies (307.98 yen=\$1.00). Reemergence of the predevaluation parity, other things being equal, eliminates the rationale for any devaluation-related surcharges, in either direction, between the United States and Japan. However, the second-round fuelrelated increase in North/Central Pacific passenger fares was limited to three percent to/from Japan because of the currency situation at that time, while other fares were subjected to a seven percent increase. Thus, the present four percent increase in yen fares does no more than realign yen fares with the general level of Pacific fares based on current exchange relationships and accordingly will

be approved.

There are, however, no such extenuating circumstances in the case of the westbound surcharge on U.S.-originating transportation, and consequently the Board will withdraw its previous approval of Resolutions 022g and 022p, the respective surcharge resolutions for passenger fares and cargo rates in the North/Central Pacific. The Board approved the surcharge primarily on the basis of justification submitted by Japan Air Lines Company, Ltd. (JAL), the largest foreign-flag carrier in the North/ Central Pacific market. The Board recognized that, when a currency depreciates, some compensating upward adjustment in fares and rates quoted in that currency is necessary, although the result is generally some over-compensation for U.S. carriers and under-compensation for foreign carriers. Data provided by JAL in support of the surcharges indicated that, in its U.S. passenger operations, its annual devaluation-related losses amounted to \$3.678 million as compared with \$2.291 million flowing from the surcharge. Similarly, JAL's loss in U.S. cargo operations was estimated at \$603,000, against additional revenue of only \$541.000.

At the present time, however, JAL is receiving a significant windfall from the three percent surcharge in its U.S.-North/Central Pacific passenger and cargo operations, which produce a profit of \$32.275 million annually. At the pre-

Order 73-12-84, December 20, 1973; Order

74-6-93, June 19, 1974.

devaluation rate quoted by JAL of 301.96 yen=\$1.00 \* this would have amounted to 9745.8 million yen, while at the current exchange rate of 298.78 yen=\$1.00 \*, it amounts to 9643.1 million yen. The net 102.7 million yen loss to JAL would require \$340,000 in offsetting revenue at current conversion rates. However, by JAL's own estimates the present surcharges produce over \$2.8 million annually.

We also note that the U.S. dollar has appreciated against the Hong Kong and Taiwan dollars, the other major hard currencies in the Far East, since adoption of the surcharge resolutions. In any event, review of passenger data published by the Immigration and Naturalization Service for calendar 1973, the latest reported 12-month period, indicates that over 70 percent of U.S.-Far East traffic

<sup>4</sup> Monthly average of the official rate of exchange from January 1, 1972 through February 12, 1973.
<sup>6</sup> October 17 bank transfer rate. Source:

October 17 bank transfer rate. Source: "Wall Street Journal," October 18, 1974.

<sup>6</sup> Although comparable data are not available for cargo over the Pacific, there is no reason to believe these relationships would differ substantially.

originates at or is destined for Japan, where the local currency has declined most in value relative to the dollar. Inclusion of traffic to/from Hong Kong and Taiwan cumulates to 85 percent of Pacifiic traffic. Currency-related surcharges on east-bound transportation to U.S. points are now in effect from other, soft-currency countries of the Far East, and would not be affected by our instant action.

For all the reasons detailed above, the Board concludes that the surcharges on U.S.-originating North/Central Pacific transportation are no longer justified, and accordingly will be disapproved.

The Board, acting pursuant to sections 102, 204(a), and 412 of the Act, makes

the following findings:

1. It is not found that Resolution JT123 Reso. 3893 (Increase in Japanese yen local currency fares and rates), incorporated in Agreement C.A.B. 24713, is adverse to the public interest or in violation of the Act;

2. It is found that the following resolutions, incorporated in the agreements indicated, are adverse to the public interest and in violation of the Act to the extent they apply to air transportation from U.S. points:

Agreement C.A.B. Title Application

2002s. North and Central Pacific special rules for sales of passenger air 2/1

24265: IT3(Mail 255)022p

IT-5. IT32(Mail 255)022p

3. It is found that the following resolutions, incorporated in the agreements indicated, are adverse to the public interest and in violation of the Act to the extent they apply to air transportation from all U.S. territories within the Pacific except American Samoa:

Agreement C.A.B.	IATA No.	Title	Appli- estion
24008: R-15	0224	Special rules for sales of cargo air transportation	1
24233: R*6	0220	TC3 special rules for sales of passenger air transportation	

Accordingly, It is ordered, That: 1. Agreement C.A.B. 24713 be and hereby is approved;

2. Those portions of Agreements C.A.B. 24024, 24265, 24008 and 24233 set forth in finding paragraphs 2 and 3 above be and hereby are disapproved; and

All carriers providing North/Central Pacific service from U.S. points are hereby directed to revise their tariffs to remove the three percent surcharge on U.S.-originating passenger fares and cargo rates not later than December 16, 1974.

This order will be published in the FED-ERAL REGISTER.

By the Civil Aeronautics Board:

[SEAL] EDWIN Z. HOLLAND,

Secretary.

[FR Doc.74-28449 Filed 12-4-74;8:45 am]

[Dockets 26057, 26075; Agreement CAB 24738; Order 74-12-1]

PAN AMERICAN WORLD AIRWAYS, INC.,

Order Approving Agreement for Approval of Fuel Saving Capacity Limitation

Issued under delegated authority December 2, 1974.

By application dated October 21, 1974. Pan American World Airways, Inc., (Pan Am) and Venezolana Internacional de Aviacion, S.A. (Viasa) request prior Board approval pursuant to section 412 of the Federal Aviation Act of 1958, as amended, (the Act) and Subpart P of the Board's Rules of Practice, 14 CFR 302.-1601, of an agreement between them which would establish maximum weekly scheduled frequency levels in certain United States-Venezuela markets. The

discussions which led to this agreement

<sup>&</sup>lt;sup>3</sup> We will take similar action with respect to surcharges now applicable from Guam to other points in Traffic Conference 3 (Asia/ Australia/Pacific).

were held in Caracas on August 13 and 14, 1974.1

The agreement will be implemented. subject to prior Board approval, and the approval of the Venezuelan government, on January 1, 1975 and will continue in effect, with seasonal adjustments, until September 30, 1975. The agreement establishes maximum weekly scheduled frequencies to be operated by the applicants in four United States-Venezuela, markets, Florida-Venezuela, New York/Washington-Venezuela, Puerto Rico-Venezuela, and California-Venezuela." Provision is made however, for the temporary suspension of these limitations during a period of cessation or curtailment of operations by either of the parties resulting from a labor dispute or other cause beyond the control of the affected party. Additionally, allowance is made for the use of unpublished extra sections for operational reasons or to meet short periods of excessive demand. Either party may terminate the agreement on 30 days' written notice

In support of the application, the applicants assert that the agreement will result in a substantial savings of available fuel supplies. Specifically, the applicants estimate a total fuel savings of over ten million gallons during the term of the agreement.3 The applicants also note that in extending the discussion authority originally granted by Order 73-11-34, the Board, in Order 74-7-33, broadened the basis for international capacity reduction discussions to include the radical price increase in, as well as the availability of, international aviation fuel.4 In this respect, the applicants estimate a total fuel-cost savings of over three million dollars during the term of the agreement.

However, the applicants emphasize that achieving these fuel and fuel-cost savings will not unwarrantedly reduce the level of services offered to the public in these markets. The applicants state that the frequency of flights will still be high and the load factor estimates for these markets range from a minimum of 48 percent in the California-Venezuela market to a maximum of 58 percent in the Florida-Venezuela market.

Pan Am also requests an exemption from section 405(b) of the Act and all the regulations thereunder to the extent necessary to permit implementation of the proposed schedules without ten days' prior notice to the Postmaster General.

The National Air Carrier Association (NACA) has filed an answer to the ap-

plication.5 NACA does not oppose the application, but requests that a condition be imposed on any approval of the agreement to prevent the use of any freed capacity in the transatlantic charter market. Specifically, NACA requests a condition which would require that, during any year in which an international capacity agreement is in effect, each agreement carrier limit the number of seats it operates in transatlantic charter services to the number of seats it operated during the 12-month period preceding the first international capacity agreement entered into in this proceeding. To permit flexibility, NACA also suggests a provision in its condition which would allow any carrier which increases its revenue passenger miles in transatlantic scheduled service during an agreement period, over the corresponding preagreement period, to proportionately increase its charter capacity.

Pan Am has filed a reply to NACA's answer, opposing the requested condi-

No other comments relative to the application have been received to date.7

In consideration of the foregoing, the Board notes that to the extent that the applicants have justified the proposed capacity limitation agreement on both a fuel and fuel-cost savings basis, the application appears to raise issues which are currently being considered in the Capacity Reduction Agreements Case; Docket 22908. However, the agreement relates to international markets and in each of these markets the proposed service appears adequate to meet the needs of the traveling public. The Board has previously stated that mutual reduction in international capacity, when carefully monitored by the Board, can help to provide the public with optimum service in the face of the constraints imposed by the international fuel situation." Therefore, we have decided to approve the agreement. Our decision herein, however, should not be construed as prejudging in any manner the Board's final decision with respect to any of the issues currently being considered in the Capacity Reduction Case."

NACA represents the following supplemental air carriers; Capitol International Airways, Inc., Overseas National Airways, Inc., Saturn Airways, Inc., Trans International Airlines, and World Airways, Inc.

Pan Am's reply was accompanied by a motion for leave to file an otherwise unauthorized document. Since Pan Am's reply falls within the standards established for such documents by 14 CFR 302.1608, that motion is unnecessary and will be dismissed

Copies of this application were served upon all persons upon whom copies of Or-der 73-11-34 were served, in accordance with 14 CFR 302.1605.

See, for example, Order 73-11-34, November 8, 1973 and Order 74-1-111, January 23,

The Board notes that the term of this greement extends through the summer of 1975. In this connection, the Board wishes to make as clear as possible that the decision herein is based on the circumstances of the current situation and any change in those circumstances, such as a final decision in the Capacity Reduction Agreements Case, may be cause for a review of this agreement and the approval granted herein,

With respect to the charter operations condition requested by NACA, we believe that the public interest does not require the imposition of such a condition on the approval of the agreement at this time. The Board has repeatedly stated that the transfer of released capacity to any non-agreement markets, including charter markets, will not be tolerated." and we will impose reporting requirements similar to those imposed on other such agreements, which requirements should provide adequate protection against the predatory use of any freed capacity." We will also retain jurisdiction for the purpose of amending or revoking the approval granted herein at any future date."

It is also found that enforcement of section 405(b) of the Act, requiring ten days' prior notice of schedule changes to the Postmaster General, would be an undue burden on Pam Am and is not in

the public interest.

Finally, we have considered the impact of the agreement on the employees of Pan Am. Based on the limited amount of information currently before us. we are unable to conclude that the public interest requires the imposition of any labor protective conditions. As noted however, the Board will retain jurisdiction, and would impose such a condition should a showing be made that the public interest so requires.

Pursuant to authority duly delegated by the Board in the Board's regulations, 14 CFR 385.3 and 385.13, it is found that (1) the capacity reduction agreement discussed herein is neither adverse to the public interest nor in violation of the Act and should be approved subject to the conditions stated herein; (2) the request of Pan Am for an exemption from the requirements of section 405(b) of the Act and any regulations promulgated pursuant thereto, should be granted to the extent necessary to permit the filing of schedules on less than ten days' prior notice with the Postmaster General; (3) NACA's request for the imposition of its suggested condition on the approval granted herein should be denied; and (4) Pan Am's motion for leave to file an otherwise unauthorized document should be dismissed as moot.

Accordingly, it is ordered, That: 1. Agreement CAB 24738 be and it hereby is approved pursuant to section 412 of the Act, subject to the following condi-

(a) Jurisdiction shall be retained to modify or revoke approval at any time, or to take whatever action as may be appropriate in the public interest;

(b) Schedule deletions resulting from the agreement considered herein, which

A report of this meeting has been filed with the Board.

The proposed service levels for the various markets under the agreement are set forth in Appendix A, hereto. Appendix A was filed as part of the original document.

<sup>&</sup>lt;sup>3</sup> This estimate is based on a savings of approximately 6,050,000 gallons for Pan Am and 3,950,000 gallons for Viasa over the term of the agreement.

See Order 74-7-33, July 8, 1974; second full paragraph on page 3, therein, and order-

ing paragraph 1.

<sup>20</sup> See, for example, Orders 73-10-110 (October 31, 1973), note 8a; 74-1-111 (January 23, 1974), at page 4; and 74-2-93 (February 22, 1974), at page 4.

<sup>11</sup> See ordering pragraph 1 and footnote 15. infra.

<sup>&</sup>quot;Section 412(b) of the Act (49 U.S.C. 1382) requires the Board to disapprove any agree ment, whether or not previously approved by it, which it finds to be adverse to the public interest or in violation of the Act.

the City of San Francisco; and all cer-

of Los Angeles, Director of Aviation; ant

Secretary-Congressional and Legislative Affairs.

UNITED STATES CIVIL SERV-ICE COMMISSION. JAMES C. SPRY. [SEAL] Executive Assistant

to the Commissioners.

IFR Doc.74-28419 Filed 12-4-74;8:45 aml

tificated route and supplemental air carriers. Persons entitled to petition the Board for review of this order pursuant to the Board's regulations, 14 CFR 385.50, may file such petitions within ten days of the

date of service of this order. This order shall be effective and be-

come the action of the Civil Aeronautics Board upon expiration of the above period unless within such period a petition for review thereof is filed or the Board gives notice that it will review this order on its own motion.

This order shall be published in the FEDERAL REGISTER.

> WILLIAM B. CALDWELL, Jr., Director, Bureau of Operating Rights.

EDWIN Z. HOLLAND, [SEAL] Secretary.

[FR Doc.74-28450 Filed 12-4-74:8:45 am]

[Dockets 26057 and 26075, Agreements CAB 24758, 24754, 24755, 24756, 24757, and 24758; Order 74-11-341

PAN AMERICAN WORLD AIRWAYS, INC., ET AL

> **Fuel-Saving Capacity Limitation** Agreements

> > Correction

In FR Doc. 74-26474 appearing at page 39904, in the issue of Tuesday, November 12, 1974, the order number should appear as printed above.

## CIVIL SERVICE COMMISSION DEPARTMENT OF THE INTERIOR

Revocation of Authority To Make **Noncareer Executive Assignment** 

Under authority of § 9.20 of Civil Service Rule IX (5 CFR 9.20), the Civil Service Commission revokes the authority of the Department of the Interior to fill by noncareer executive assignment in the excepted service the position of Assistant to the Secretary, Office of the Secretary.

UNITED STATES CIVIL SERV-ICE COMMISSION, [SEAL] JAMES C. SPRY, Executive Assistant to the Commissioners.

[FR Doc.74-28418 Filed 12-4-74; 8:45 am]

## DEPARTMENT OF THE INTERIOR Grant of Authority To Make Noncareer **Executive Assignment**

Under authority of § 9.20 of Civil Service Rule IX (5 CFR 9.20), the Civil Service Commission authorizes the Department of the Interior to fill by noncareer executive assignment in the excepted service the position of Deputy Assistant Secretary-Congressional and Legislative Affairs, Office of the AssistFEDERAL EMPLOYEES PAY COUNCIL Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act, Pub. L. 92-463, notice is hereby given that the Federal Employees Pay Council will meet at 2 p.m. on Wednesday, January 8, 1975, in room 5323 of the U.S. Civil Service Commission building, 1900 E Street. NW.

This meeting will be open to the public and will consist of a continuation of discussions on the fiscal year 1976 comparability adjustment for the statutory pay systems of the Federal Government. Any member of the public who wishes to file a written statement with the committee may do so by furnishing it to the undersigned in room 3H30 of the Civil Service Commission building at any time prior to the meeting. Any member of the public who wishes to speak at this meeting should so indicate in such a written statement, so that this request may be considered in the context of the constraints imposed by the agenda schedule for the year.

Further information about this meeting may be obtained by contacting the undersigned at 632-5595.

For the President's agent:

RICHARD H. HALL. Advisory Committee Management Officer for the President's Agent. [FR Doc.74-28417 Filed 12-4-74;8:45 am]

# OFFICE OF MANAGEMENT AND BUDGET

Title Change in Noncareer Executive Assignment

By notice of April 5, 1973, FR Doc 73-6564 the Civil Service Commission authorized the Office of Management and Budget to fill by noncareer executive assignment the position of Legislative Liaison Officer, Office of the Director. This is notice that the title of this position is now being changed to Congressional Relations Officer, Office of the Director.

> UNITED STATES CIVIL SERV-ICE COMMISSION.

JAMES C. SPRY, Executive Assistant to the Commissioners.

[FR Doc.74-28420 Filed 12-4-74;8:45 am]

[SEAL]

## ENERGY RESOURCES COUNCIL **ENERGY POLICY SEMINARS**

Notice of Meetings The Energy Resources Council (ERC) announces that energy policy seminars,

occur at any of the controlled, highdensity airports 13 and which result in the vacating of slots allocated by the Airlines Scheduling Committees of the respective airports pursuant to authority granted in Order 72-11-72, shall not be refilled by the air carrier applicants, nor be reallocated to other carriers by the respective Airline Scheduling Committee; provided, however, That slots originally vacated may be reinstated by the vacating carrier to the extent such carrier vacates another flight at the same airport which operates plus or minus three hours of the flight to be reinstated; " (c) All schedule changes resulting

from this agreement shall be reported to the Board within 15 days of the end of each month, in accordance with the format of Appendix B 15 hereto, 10 and copies of such reports shall be provided to all carriers requesting them;

(d) Within 28 days of the date of service of this order, the air carrier applicants shall file with the Board's Docket Section a report containing the following additional data for the subject markets:

a. Seats operated in 1974 to date. b. Passengers carried in 1974 to date.

c. Forecast passengers in 1975 (January through September).

d. Projected seats in 1975 (January through September). e. Fuel use by month for the system of each

carrier in 1974 to date. f. Fuel use by month in the subject agree-

ment markets in 1974 to date;

2. The request of Pan Am for an exemption from section 405(b) of the Act, and regulations promulgated pursuant thereto, to the extent necessary to permit implementation of the proposed schedules without ten days' prior notice to the Postmaster General, be and it hereby is granted:

3. NACA's request for the imposition of its proposed condition on the approval granted herein be and it hereby is denied;

4. Pan Am's motion for leave to file an otherwise unauthorized document be and it hereby is dismissed; and

5. Copies of this order shall be served on the United States Departments of Defense, Justice and Transportation; the United States Postal Service; the Port Authority of New York and New Jersey; the Dade County Port Authority; the Commonwealth of Puerto Rico; the City

13 Airport scheduling agreements affect John F. Kennedy International Airport, O'Hare International Airport, Washington National Airport and LaGuardia Airport. See Order 72-11-72, November 16, 1972.

"Compare Order 73-12-32, December 7,

1973, at page 7.

MAppendix B filed as part of the original

In addition, Pan Am shall file with the Board's Docket Section a report stating, on a systemwide basis, average seat-miles op-erated per gallon of fuel used, by type of equipment, and shall maintain records, subject to inspection by the Board or by such other persons as the Board may authorize, detailing the fuel used each month, throughout their systems, on a city-pair and flight-by-flight basis (including charter opera-tions.)

open to the public, will be held on the Project Independence Report and its implications for national energy policy, in order to solicit views, evaluations, and critiques. The seminars will be held in Washington, D.C., December 9-10-11, 1974, in the International Conference Room of the State Department, 2201 C Street, Northwest.

The Project Independence Report is the result of comprehensive governmental effort to evaluate the growing dependence of the United States on foreign sources of energy, and to develop programs to reduce this Nation's vulnerability to any future supply disruptions and/or price increases. The Report contains an analysis of future energy supply and demand alternatives under a variety of assumptions. Included therein are evaluations of costs, environmental effects, manpower, financial, material, transportation and other requirements, resource development, etc.

Seminars. The Energy Resources Council wishes to solicit views, evaluations, and critiques of (1) the Project Independence Report and (2) policies that ought to be considered to insure a stable source of energy at reasonable prices. A schedule for topics of discussion

follows:

#### 9 DECEMBER

9-12:30—"Consumer Concerns". 1:30-5—"Business and Labor Concerns".

#### 10 DECEMBER

9-12:30—"Resource Development" (nuclear, utilities and other).

1:30-5—"Resource Development" (fossil resources oil, gas, coal).

#### 11 DECEMBER

9-12:30—"Environmental and Conservation Concerns".

1:30-5-"Intergovernmental Concerns".

Procedures for Seminars. Seminar participants, invited by the ERC are asked to submit views in writing and will summarize those views in brief oral statements. Public attendance is encouraged and observers will be admitted on a first-come first-served basis.

Issued in Washington, D.C., on December 4, 1974.

Dated: December 4, 1974.

ROGERS C. B. MORTON, Chairman, Energy Resources Council. [FR Doc.74\_28617 Filed 12\_4\_74;12:32 pm]

# ENVIRONMENTAL PROTECTION AGENCY

[FRL 301-4; OPP-32000/149]

RECEIPT OF APPLICATIONS FOR PESTICIDE REGISTRATION

Data To Be Considered in Support of Applications

On November 19, 1973, the Environmental Protection Agency (EPA) published in the Federal Registre (38 FR 31862) its interim policy with respect to the administration of section 3(c) (1) (D) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended.

This policy provides that EPA will, upon receipt of every application for registration, publish in the Federal Register a notice containing the information shown below. The labeling furnished by the applicant will be available for examination at the Environmental Protection Agency. Room EB-31, East Tower, 401 M Street, SW. Washington, D.C. 20460.

On or before February 3, 1975, any person who (a) is or has been an applicant. (b) believes that data he developed and submitted to EPA on or after October 21, 1972, is being used to support an application described in this notice, (c) desires to assert a claim for compensation under section 3(c) (1) (D) for such use of his data, and (d) wishes to preserve his right to have the Administrator determine the amount of reasonable compensation to which he is entitled for such use of the data, must notify the Administrator and the applicant named in the notice in the FEDERAL REGISTER of his claim by certified mail. Notification to the Administrator should be addressed to the Information Coordination Section. Technical Services Division (WH-569). Office of Pesticide Programs, 401 M Street, SW., Washington, D.C. 20460. Every such claimant must include, at a minimum, the information listed in the interim policy of November 19, 1973.

Applications submitted under 2(a) or 2(b) of the interim policy will be processed to completion in accordance with existing procedures. Applications submitted under 2(c) of the interim policy cannot be made final until the 60 day period has expired. If no claims are received within the 60 day period, the 2(c) application will be processed according to normal procedure. However, if claims are received within the 60 day period, the applicants against whom the claims are asserted will be advised of the alternatives available under the Act. No claims will be accepted for possible EPA adjudication which are received after February 3, 1975.

## APPLICATIONS RECEIVED

EPA File Symbol 8419-RU. The Andersons, PO Box 119, Maumee OH 43537. THE ANDERSONS CRABGHASS PREVENTER WITH DACTHAL. Active Ingredients: 2,3,5,6 Dimethyl Ester of Tetrachloroter-ephthalic Acid 2.87%. Method of Support: Application proceeds under 2(c) of interimpolicy.

EPA File Symbol 8419-RG. The Andersons, PO Box 119, Maumee OH 43537. THE ANDERSONS TRIPLE-THREAT PRE-EMERGENCE CRABGRASS KILLER PLUS 10-6-4 FERTILIZER AND LAWN INSECTICIDE. Active Ingredients: 2,3,5,6 Dimethyl Ester of Tetrachloroterephthalic Acid 2,30%; Technical Chlordane 1,20%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 3833—EN. Barnett Chemical Products Co., 3018 Frankford Ave., Philadelphia PA 19134. BARNETT BRAND DRIONE C. & C.T. Active Ingredients; Pyrethrins 0.1%; Piperonyl Butoxide, Technical 1.0%; Silica Gel 4.0%; Petroleum Distillate 4.9%. Method of Support: Application proceeds under 2(c) of interim

policy.

EPA Reg. No. 3462-8. Chemical Machines, Ltd., 4830 S.W. Richardson Dr., Portland, OR 97201. NCL POTATO LEAFEEDER DUST. Active Ingredients: Isopropyl Ester of 2,4-Dichlorophenoxyacetic Acid 1.19%. Method of Support: Application proceeds

under 2(c) of interim policy.

EPA File Symbol 7173-RLA. Chempar Chemical Co., Inc., 260 Madison Ave., New York NY 10016. CHEMPAR ALL PURPOSE SPACE AND RESIDUAL AQUEOUS PRESURIZED SPRAY. Active Ingredients: (5-Benzyl-3-furyl) methyl 2,2-dimethyl-3-(2-methylpropenyl) cyclopropanecarboxylate 0.350%; Related compounds 0.048%; Aromatic petroleum hydrocarbons 0.464%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 6621-LU. Eagle Chemical Co., 2819 W. Lake St., Chicago II. 66812. BAIT PELLETS A TOX-HID COATED WARFARIN PELLETED BAIT. Active Ingredients: Warfarin (3-Alpha-Acetonylbenzyl) 4-Hyroxycoumarin) 0.025%, Method of Support: Application proceeds under 2(a) of interim policy.

EPA Reg. No. 1598-194. FCX, Inc., PO Box 2419. Raleigh, No. 27602. FCX GARDEN BUG BLASTER "D". Active Ingredients: Carbaryl (1-naphthyl N-methylcarbamate) 3%; Malathion (0,0-dimethyl dithiophosphate of diethyl mercaptosuccinate) 3%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 4584-OU. Gem Inc., One Gem Blvd., Memphis TN 38118. AEROCOS AIR SANITIZER & ROOM DEODORANT. Active Ingredients: Isopropanol, Propylene Glycol and n-Alkyl (C12 40%, C14 50%, C16 10%) dimethyl benzyl ammonium chloride 13.75%. Method of Support: Application proceeds under 2(c) of interim policy.

Policy.

EPA File Symbol 2124-INA. W. R. Grace & Co., Agricultural Chem., PO Box 277, Memphis TN 38101. NACO CHLORDANE 40%. DUST BASE. Active Ingredients: Technical Chlordane 40.0%. Method of Support: Application proceeds under 2(c) of Interimpolicy.

EPA File Symbol 5785-LA. Great Lakes Chemical Corp., FO Box 2200, W. Lafayette IN 47906. 98—2 A NEMATICIDE—INSEC-TICIDE FOR FORMULATION USE, Active Ingredients: Methyl bromide 98%; Chloropicrin 2%. Method of Support; Application proceeds under 2(c) of interim policy.

EPA File Symbol 8399-L. The Great Western Sugar Co., PO Boz 5308, Denver CO 80217. GW TELONE CLEAN, CLEAR, NON-CLOG-GING LIQUID SOIL FUMIGANT. Active Ingredients: 1,3-Dichloropropene and related chlorinated aliphatics 99%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 729-AU. Gulf Oil Corp., PO Box 1166, Pittsburgh PA 15230. GULF SPRAY INSECT REPELLENT FORMULA 6. Active Ingredients: N,N-diethyl-m-toluamide 4.90%; Other isomers 2.10%; N-octyl bicycloheptene dicarboximide 2.00%; 2,3:4, 5-Bis (2-butylene) tetrahydro-2-furaldehyde 0.50%; Di-n-propyl isocinchomeronate 0.50%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 729-AG. Gulf Oil Corp., PO Box 1166, Pittsburgh PA 15230. GULF SPRAY INSECT REPELLENT FORMULA 7. Active Ingredients: N,N-diethyltolusmide 15.0%; metalsomer 10.5%; other isomers 4.5%. Method of Support: Application proceeds under 2(c) of interim policy. EPA File Symbol 2907-RT. Arch C. Heller Co., PO Box 88, Darby PA 19023. EXO TOTAL RELEASE INDOOR INSECTICIDE FOG-Active Ingredients: Pyrethrins 0.500%; Piperonyl butoxide, technical 1.000%; N-octyl bicyclohetene dicarboximide 1.670%; Petroleum distillate 11.830% Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 635-ATG. E-Z-Flo Chem. Co., Div. of Kirsto Co., PO Box 808, Lansing MI 48903, E-Z-FLO DIAZINON 14G INSEC-TICIDE. Active Ingredients: 0,0-diethyl 0-(2 - isopropyl - 6 - methyl-4-pyrimidinyl) phosphorothicate 14.3%. Method of Support: Application proceeds under 2(c) of

interim policy.

EPA File Symbol 635-ATE. E-Z-Flo Chem. Co., Div. of Kirsto Co., PO Box 808, Lansing MI 48903. E-Z-FLO THIODAN 3 EC. Active Ingredients: Endosulfan (Hexachlorohexahydromethano-2,4,3 - benzodioxathiepin oxide) 33.5%; Xylene 59.7%. Method of Support: Application proceeds

under 2(c) of interim policy.
PA File Symbol 1926-TU. Navy Brand Manufacturing Co., 511 Southwest Ave., St. Louis MO 63110, NAVY BRAND RE-SIDUAL #700. Active Ingredients: Petroleum Distillate 98.760%; (Fenthion O,O-Dimethyl O - [3 - methyl-4-(methylthio) phenyl] phosphorothicate) 0.500%; thion (O,O-Dimethyl dithiophosphate of diethyl mercaptosuccinate) 0.500%; Technical Piperonyl Butoxide 0.120%; Pyrethrins 0.060%. Method of Support: Application proceeds under 2(c) of interim policy

EPA File Symbol 1926-TG. Navy Brand Manufacturing Co., 5111 Southwest Ave., St. Louis MO 63110. NAVY TOX PRE-MIUM GRADE. Active Ingredients: Malathion 57.00%; Aromatic Petroleum Derivative Solvent 33.09%. Method of Support: Application proceeds under 2(c) of

interim policy.

EPA File Symbol 1969-RRT. Parsons Chemical Works, Inc., PO Box 146, Grand Ledge MI 48837. PARSONS SEED SAVER-DB DRILL BOX TREATMENT FUNGICIDE.
Active Ingredients: Maneb (Manganese ethylenebisdithiocarbamate) 50%; HCB (Hexachlorobenzene) 10.0%. Method of Support: Application proceeds under 2(c)

of interim policy.

EPA File Symbol 1969-RRA. Parsons Chemical Works, Inc., PO Box 146, Grand Ledge MI 48837, PARSONS KAL-ZOO DUST IN-SECTICIDE-FUNGICIDE. Active Ingredients: Methoxychlor-technical (Equivalent to 4.4% 2,2-bis (P-methoxyphenyl)-1,1,1trichloroethane and 0.6% of related compounds) 5,00%; Captan (N-(trichloro-methyl) thio-4-cyclohexene-1,2 dicarbox-imide) 3,00%. Method of Support: Appli-cation proceeds under 2(c) of interim

EPA File Symbol 655-LEA. Prentiss Drug & Chemical Co., Inc., 363 7th Ave., New York NY 10001. PRENCHLOR 5% GRANULES.

Active Ingredients: Technical Chlordane 5.0%. Method of Support: Application proceeds under 2(c) of interim policy. EPA File Symbol 655-LEL. Prentiss Drug & Chem. Co., Inc. PRENCHLOR 5% DUSK. Active Ingredients: Technical Chlordane 5.0%. Method of Support: Application pro-

ceeds under 2(c) of interim policy.

EPA File Symbol 655-LEU. Frentiss Drug & Chem. Co., Inc. PRENCHLOR 40% WET-TABLE POWDER. Active Ingredients: Technical Chiordane 40.0%. Method of Support: Application proceeds under 2(c)

of interim policy.

EPA File Symbol 655-LEG. Prentiss Drug & Chem. Co., Inc. PRENCHLOR 10% GRAN-ULES, Active Ingredients: Technical Chlordane 10.0%. Method of Support: Ap-plication proceeds under 2(c) of interim nolley.

EPA File Symbol 655-LEE, Prentiss Drug & Chem. Co., Inc. PRENCHLOR 10% DUST. Active Ingredients: Technical Chlordane Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 4000-AA. Southern Chem. Products Co., PO Box 205, Macon GA 31202. SANI-MOP-MIST BACTERIOSTATIC MOP TREATMENT. Active Ingredients: Methyl Salicylate 0.94%; n-Alkyl (C14 50%, C12 40%, C16 10%) Dimethyl Benzyl Ammonium Chloride 0.28%. Method of Support: Application proceeds under 2(c) of interim

policy. EPA File Symbol 998-REN. Superior Chem. Products Inc., 3942 Frankford Ave., Philadelphia PA 19124. SUPER OMNICIDE IN-DUSTRIAL AEROSOL INSECTICIDE. Active Ingredients: Pyrethrins 0.7%; Technical piperonyl butoxide 2.0%; Petroleum solvent (Equivalent to 1.6% (butylcarbityl) (6-propylpiperonyl) ether and 0.4% related compounds) 7.3%. Method of Support: Application proceeds under 2(c) of

interim policy.

EPA File Symbol 507-ER. Unit Chemical Corp., 4161 Redwood Ave., Los Angeles CA 90066, PINE ODOR DISINFECTANT, Ac-tive Ingredients: n-alkyl (60% C14, 30% C16, 5% C12, 5% C18) dimethyl benzyl ammonium chloride 1%; n-alkyl (68% C12, 32% C14) dimethyl ethyl benzyl ammonium chloride 1%. Method of Support. Application proceeds under 2(b) of in-

terim policy.

EPA Reg. No. 2935-246, Wilbur-Ellis Co., PO. Box 1286, Fresno CA 93715, BEN-SUL 60 DUST. Active Ingredients: Sulfur 60%. Method of Support: Application proceeds under 2(c) of interim policy.

Dated: November 26, 1974.

JOHN B. RITCH, Jr., Director, Registration Division.

[FR Doc.74-28182 Filed 12-4-74;8:45 am]

## [FRL 301-8]

#### STATE OF KENTUCKY

## Compliance Schedule; Notice of Hearing

Section 110(c) of the Clean Air Act, as amended (42 U.S.C. 1857C-5), directs the Administrator of the Environmental Protection Agency to publish proposed regulations setting forth an implementation plan, or portion thereof, for a State if the State fails to submit a portion within the time prescribed, or if a portion is determined by the Administrator not to be in accordance with the requirements of section 110 of the Act. In order to satisfy the requirements of section 110 (a) (2) (B) of the Act, States were directed by 40 CFR 51.15(a) (2) to submit certain compliance schedules as a portion of their implementation plans. The Commonwealth of Kentucky failed to submit all of the schedules required for sources subject to regulations for the control of sulfur dioxide emissions from indirect heat exchangers. Compliance schedules for Kentucky are therefore proposed elsewhere in this issue of the FEDERAL REGISTER.

Notice is hereby given that a public hearing concerning the proposed compliance schedules for Kentucky will be held on Tuesday, January 21, 1975, at ten a.m. in the Capital Plaza Tower Auditorium, Frankfort, Kentucky 40601.

The proposed schedules are designed to apply to air pollution sources by category, and to require compliance with

EPA-approved State emission limiting regulations. A compliance schedule consists of intermediate and final dates by which actions are to be taken by an air pollution source toward meeting applicable State emission limiting regulations

Mr. Paul J. Traina is hereby designated Presiding Officer for the hearing. He will have the responsibility for maintaining order: excluding irrelevant or repetitious material; scheduling presentations; and to the extent possible, notifying participants of the time at which they may appear. The hearing will be conducted informally. Technical rules of evidence will not apply.

Interested persons wishing to make a statement at the hearing will be afforded the opportunity to do so. The time for making a statement will be limited. Such persons are requested to file a notice of their intention to make a statement no later than 15 days prior to the hearing and to submit, no later than 10 days prior to the hearing, if practicable, five copies of the proposed statement to the Administrator of the Environmental Protection Agency, Attention: Presiding Officer. Hearing on Compliance Schedules for the State of Kentucky, 1421 Peachtree Street, NE., Atlanta, Georgia 30309.

Dated: November 27, 1974.

JACK E. RAVAN. Regional Administrator.

[FR Doc.74-28351 Filed 12-4-74;8:45 am]

[FRL 302-5; OPP-180029]

## STATE OF MAINE

## Application for Specific Exemption To Control Spruce Budworm

On October 15, 1974, the Department of Conservation of the State of Maine applied to the Environmental Protection Agency (EPA) for a specific exemption to use Fenitrothion (Sumithion) to control the Spruce budworm. The location involved is 3.5 million acres of forest in northern Maine. This exemption, if granted, will be valid for no longer than one (1) year from the date of approval by EPA.

This application is in accordance with the provisions of section 18 (40 CFR the provisions of section 19 Part 166 of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (86 Stat. 973). Part 166 was issued on December 3, 1973 (38 FR 33303), and prescribes the requirements for exemption of Federal and State agencies for the use of pesticides under emergency conditions.

This notice does not indicate a decision by this Agency on the application. Interested parties may review the application in the Office of the Director. Registration Division (WH-567), Office of Pesticide Programs, EPA, 401 M St., SW., Room E-347, Washington, D.C. 20460.

Dated: November 29, 1974.

JAMES L. AGEE, Assistant Administrator for Water and Hazardous Materials. [FR Doc.74-28359 Filed 12-4-74;8:45 am]

## FEDERAL MARITIME COMMISSION in this context. Such significant in-[Docket No. 74-50]

#### MATSON NAVIGATION CO.

Increases on Paper Products From Pacific Northwest to Hawaii

On December 2, 1974, Matson Navigation Company (Matson) proposes to increase rates on paper products and related articles moving from the ports of Seattle, Washington and Portland, Oregon to ports in Hawaii.1 The rates apply per 24' container and the increases range in amount from 9.4 percent to 28.7 percent.

Protests to the increases were received from Longview Fiber Company; Blake, Moffitt & Towne Paper Co.; Crown Zellerback Corp.; and Boise Cascade Corp. Generally, the protests allege that Matson's increases are excessive and inflationary and urge that they be suspended and investigated to determine whether the increased rates are lawful under sections 16 First and/or 18(a) of the Shipping Act, 1916.

In April 1973, Matson originated its Forest Products Tariff, FMC-F No. 149 and published rates therein which were generally below its then existing rates on forest products, such as the subject rates on paper products. These reductions were included within the subject matter of Docket No. 73-22-Matson Navigation Co.-Proposed Changes in Rates Between U.S. Pacific Coast and Hawaii, and are still under investigation in that proceeding. Matson's position on those reductions was that they were generally necessary to meet barge competition with the exception of the rates on paper products which were below those of the barges in order to meet the rates of Seatrain Lines of California (Seatrain) on paper products."

On June 4, 1974, Seatrain cancelled its tariff in the Hawaiian Trade, certain of its ships and equipment having been purchased by Matson. Thus, the competition which gave rise to the reductions no longer exists. In its replies to protests herein, Matson now takes the position that the subject increases will bring its rates into line with those of competing barge operators from Seattle and Portland.

The protests filed by the four shippers in this case would tend to bear out Matson's earlier position that paper products move generally in containers and not via the barges. This is further substantiated by the fact that Matson carries most of the paper products moving from California even though its rates there are higher than those of the

barge operators. Under the circumstances, we think that the reference in certain of the protests to Matson's monopolistic position

in the trade is particularly appropriate The subject increases are contained on Fifth Revised Page 23, Item No. 35 and Sixth Revised Page 24, Item No. 40 to Matson's Tariff FMC-F No. 149.

\*See Docket No. 73-22, supra, Tr. 178, 538.

creases should be examined even more closely than under normal circumstances when the shipper has virtually no choice but to pay the higher rates.

Upon consideration of the above, the Commission is of the opinion that the proposed increases should be suspended and made the subject of a public investigation and hearing to determine whether they are unjust, unreasonable or otherwise unlawful under section 16 First and 18(a) of the Shipping Act, 1916, as amended, and sections 3 and 4 of the Intercoastal Shipping Act, 1933, as amended, and good cause appearing,

Therefore, it is ordered, That pursuant to the authority of sections 18(a) and 22 of the Shipping Act, 1916, as amended, and sections 3 and 4 of the Intercoastal Shipping Act, 1933, as amended, an investigation is hereby ordered into the lawfulness of the proposed increases for the purpose of making such findings and orders as the facts and circumstances warrant. In the event that the tariff matter hereby placed under investigation is further changed, amended, or reissued, such changes are hereby ordered to be made part of this investigation:

It is further ordered. That pursuant to section 3 of the Intercoastal Shipping Act, 1933, Matson's Item No. 35 on Fifth Revised Page 23, and Item No. 40 on Sixth Revised Page 24 are hereby suspended and the use thereof deferred to and including April 1, 1975, unless otherwise ordered by this Commission.

It is further ordered. That there shall be filed immediately with this Commission by Matson Navigation Company, a consecutively numbered supplement to the aforesaid tariff which supplement shall bear no effective date, shall fully reproduce this order and shall state that the aforesaid matter is suspended and may not be used until April 2, 1975, unless otherwise authorized by this Commission, and that the suspended matter may not be changed until this proceeding has been disposed of or until the period of suspension has expired. whichever comes first, unless otherwise ordered by this Commission;

It is further ordered, That pursuant to section 16, First of the Shipping Act. 1916, as amended, a determination shall be made as to whether Matson, by the subject increases, is proposing to subject any particular person, locality or description of traffic to any undue or unreasonable prejudice or disadvantage in any respect whatsoever within the

meaning of that section: It is further ordered, That Matson Navigation Company be named as respondent in this proceeding and that Company; Crown Fiber Longview Zellerback Corporation; Boise Cascade Corporation; and Blake, Moffitt and Towne be named as complainants;

It is further ordered, That this proceeding be assigned for public hearing before an Administrative Law Judge of the Commission's Office of Administrative Law Judges and that the hearing be held at a date and place to be determined by the Presiding Administrative Law Judge, but in any event, shall commence on or before June 1, 1975;

It is further ordered, That (1) a copy of this order be forthwith served upon the respondents and complainants herein and upon the Commission's Bureau of Hearing Counsel, and published in the FEDERAL REGISTER, and (2) the respondent, complainants and Hearing Counsel be duly served with notice of time and' place of hearing.

It is further ordered. That any person other than respondents and Hearing Counsel having an interest and desiring to participate in this proceeding shall file a petition for leave to intervene in accordance with Rule 5(1) (46 CFR § 502.72) of the Commission's rules of practice and procedure.

Pursuant to these rules, absent good cause shown, parties must commence discovery procedures on or before January 6, 1975; Moreover any intervener desiring to utilize the discovery procedures provided for in Subpart L thereof must commence doing so no later than 15 days after his petition for leave to intervene has been granted. If the petition for leave to intervene is filed later than January 6, 1975, petitioner will be deemed to have waived his right to utilize such procedures unless good cause is shown for the failure to file the petition within the 30-day period. (46 CFR § 502.72(b)).

By the Commission.

[SEAT.] FRANCIS C. HURNEY. Secretary.

[FR Doc 74-28452 Filed 12-4-74;8:45 am]

SEATRAIN TERMINALS OF CALIFORNIA, INC., AND PORT OF OAKLAND, CALI-

Agreements Filed

Notice of Agreement Filed by:

J. Kerwin Rooney, Esq. Port Attorney Port of Oakland 66 Jack London Square P.O. Box 2064 Oakland, California 94607

By order dated February 4, 1971, the Commission approved Agreements Nos. T-2479 and T-2480 between the Port of Oakland, California (Port) and Seatrain Terminals of California, Inc. (Seatrain), which provided for the sale of terminal facilities to the Port and the lease-back of the property to Seatrain on a longterm lease. An amendment to each agreement was subsequently approved on March 24, 1971. The approved agreements provided for certain improvements and additional construction to be agreed upon by the parties and filed with the Commission as an Agreement on Additional Improvements. The improvements agreed upon at this time include (1) modifications to the Oakland Middle Harbor Terminal Alliance Cranes, (2) dredging of a berthing area, (3) the addition of a bollard. and (4) modifications to the Oakland

Middle Harbor Terminal Refrigerated Container Electrical Power Distribution System. Since, in our opinion, the contemplated improvements constitute an updating of the agreements, the Commission believes they should be brought to the attention of the public and notice is, therefore, being published herewith.

By Order of the Federal Maritime Commission.

Dated: December 2, 1974.

Frances C. Hurney, Secretary.

[FR Doc.74-28453 Filed 12-4-74;8:45 am]

## FEDERAL POWER COMMISSION

[Docket No. C175-323]

# AMOCO PRODUCTION CO. Application

NOVEMBER 27, 1974.

Take notice that on November 15, 1974, Amoco Production Company (Applicant), P.O. Box 3092, Houston, Texas 77001, filed in Docket No. CI75-323 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale for resale of natural gas in interstate commerce to United Gas Pipe Line Co. (United) from the Chalybeat Springs Field, Columbia County, Arkansas, and delivery of said gas to United in Webster Parish, Louisiana, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The application indicates that Applicant has commenced a sale of natural gas from the Chalybeat Springs Field to United within the contemplation of section 157.29 of the Commission's regulations under the Natural Gas Act (18 CFR § 157.29) and proposes to continue said sale for one year from the end of the 60-day emergency period within the contemplation of section 2.70 of the Commission's General Policy and Interpre-tations (18 CFR § 2.70). Applicant proposes to sell to United an estimated average of 270,000 Mcf of natural gas per month at a rate of 45.19 cents per Mcf at 15.025 psia in 1975 and 46.21 cents per Mcf at 15.025 psia in 1976 (except that the area rate determined by the Commission will control if greater), subject to upward and downward Btu adjustment from a base of 1,000 Btu per cubic foot, with an estimated initial upward Btu adjustment of 0.9038 cent per Mcf.

The contract for the sale of gas between Applicant and United, dated November 11, 1974, indicates that Applicant plans to reinject the subject gas into its source reservoir in order to repressure hydrocarbon producing horizons therein and increase hydrocarbon recovery. The contract provides that, despite the one-year term for the sale of gas, Applicant may cancel said sale at any time on or after it commences gas reinjection or any time after July 1, 1975, that it has finalized its reinjection plans.

Any person desiring to be heard or to make any protest with reference to said application should on or before December 16, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR § 1.8 or § 1.10). All protests filed with the Commission will be considered by it in determining the avpropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

> MARY B. KIDD, Acting Secretary.

[FR Doc.74-28429 Filed 12-4-74;8:45 am]

[Docket No. CP-75-148]

## ARKANSAS LOUISIANA GAS CO.

Application

NOVEMBER 26, 1974.

Take notice that on November 15, 1974, Arkansas Louisiana Gas Co. (Applicant), P.O. Box 1734, Shreveport, Louisiana 71151, filed in Docket No. CP75-148 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing Applicant to deliver natural gas to Mississippi River Transmission Corporation (Mississippi) and to otherwise comply with the terms of a gas exchange agreement with Mississippi, all as more fully set forth in the application, which is on file with the Commission and open to public inspection.

Applicant requests authority to deliver to Mississippi, pursuant to an exchange agreement dated October 29, 1974, a maximum of 100 Mcf in any one calendar day at the existing point of interconnection of the systems of the two companies near Sherrill, Arkansas, at which point Applicant's delivery and measurement facilities are already in place. Ap-

plicant states that this gas will be delivered in exchange for equivalent volumes Mississippi will deliver to a residential development on the other side of the Cypress-Black Bayou Lake from Applicant's service line in Bossier City. Louisiana, which residential development Applicant desires to serve but to which it is not feasible to construct a supply line, since the lake is in the way. Applicant further states that Mississippi has a 16-inch transmission line from which gas can be delivered to said residential development. Applicant asserts that, since it will receive gas from Mississippi directly into distribution lines, authorization is not required for the receipt of gas from Mississippi pursuant to the exchange agreement.

The application states that no monetary compensation is contemplated since the exchange will be on a gas for gas basis and the exchange account of the parties will be kept in balance as the practical operation of the systems permit. Applicant contemplates no expenditures for facilities, since required facilities are in

place and operable.

Any person desiring to be heard or to make any protest with reference to said application should on or before December 17, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR § 1.8 or § 1.10) and the regulations under the Natural Gas Act (18 CFR § 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required. further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Mary B. Kidd. Acting Secretary. [FR Doc.74-28431 Filed 12-4-74;8:45 am] [Docket No. RI74-195]

## CRA INTERNATIONAL, INC. Special Relief

NOVEMBER 27, 1974.

On March 25, 1974, CRA International Inc. (CRA) filed a petition for special relief pursuant to § 2.761 of the Commission's general policy and interpretations for a sale of natural gas to Trunkline Gas Company (Trunkline) from the Cage Ranch Field, Brooks County, Texas (Texas Railroad Commission District No. 4).

CRA purchased seventy oil and gas producing wells, including the four that are the subject of this petition, from Duguesne Natural Gas Company in 1972. The Duquesne properties were subject to a December 14, 1954, contract with Trunkline under which the currently effective rate is 20.0 cents per Mcf. By amendment dated February 14, 1974, to its base December 14, 1954 contract with Trunkline, the pipeline agreed to pay CRA an initial rate of 50 cents per Mcf plus 5 cents per Mcf annual escalation provided certain compression facilities were installed. The proposed added compression by CRA will add almost 400,000 Mcf of gas for sale in interstate commerce under the amended contract.

Notice of the petition was issued April 8, 1974, and appeared in the FEDERAL REGISTER on April 12, 1974 at 39 FR 13315. No protests or petitions to inter-

vene have been filed.

Based upon a consideration of the information submitted by CRA in support of its petition and in response to Staff inquiries, our Staff's analysis of the costs to be incurred by the compression program and the resultant reserves to be recovered, with all other parts of the record in this proceeding, we find that to grant CRA's petition will be in the public interest. The escalations authorized in the contract, and permitted herein, constitute future rate increases for which a filing must be made when due, pursuant to the provision of section 4 of the Natural Gas Act and the Commission's regulations thereunder.

The Commission orders. (A) CRA's petition for special relief in Docket No. RI74-195 is hereby granted. CRA is authorized to collect 50 cents per Mcf of natural gas at 14.65 psia effective as of the date of issuance of this order. Pursuant to section 4 of the Natural Gas Act, and Part 154 of the regulations thereunder, CRA must submit a notice of producer rate change filing for each of the contractual annual escalations in rate.

(B) The February 14, 1974, contract amendment between Trunkline and CRA

is accepted for filing as Supplement No. 16 to CRA's FPC Gas Rate Schedule No.

By the Commission.

[SEAL]

KENNETH F. PLUMB.

Secretary.

[FR Doc.74-28433 Filed 12-4-74;8:45 am]

[Docket No. G-5719, etc.1

CALIFORNIA CO., ET AL.

Applications for Certificates, Abandonment of Service and Petitions To Amend Certificates 1

NOVEMBER 26, 1974.

Take notice that each of the Applicants listed herein has filed an application or petition pursuant to Section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

Any person desiring to be heard or to make any protest with reference to said applications should on or before December 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426,

The Notice of Change in Rate filed by CRA reflecting this change is designated as Supplement No. 18 to CRA's FPC Gas Rate Schedule No. 2 insofar as it pertains to the increase in rate from 20¢/Mcf to 50¢/Mcf.

1 This notice does not provide for consolidation for hearing of the several matters covered herein.

petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure, (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure a hearing will be held without further notice before the Commission on all applications in which no petition to intervene is filed within the time required herein if the Commission on its own review of the matter believes that a grant of the certificates or the authorization for the proposed abandonment is required by the public convenience and necessity. Where a petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

> MARY B. KIDD. Acting Secretary.

Docket No. and date filed	Applicant	Purchaser and location	Price per Mcf	Pres- sure base
G-5719 D 11-13-74	The California Co., a Division of Chevron Oll Co., 1111 Tulane	Southern Natural Gas Co., Main Pass Block 69, Plaquemines	Nonproductive :	
G-13633 C 9-27-74 1	Ave., New Orleans, La. 70112. Pennzoil Producing Co. (Operator), 900 Southwest Tower, Houston,	Parish, La. United Gas Pipe Line Co., East McFaddin Field, Victoria Coun- ty, Tex.	1244.0	14. 73
G-16142 C 11-13-74	Tex. 77002. Skelly Oil Co., P.O. Box 1650, Tulsa, Okla. 74102.	El Paso Natural Gas Co. and Pecos Co., acreage in Upton County, Tex.	18.819	14. 65
CI64-1410 D 11-4-74	R & G Drilling Co., Inc., 1775 Broadway, New York, N.Y. 10019.	El Paso Natural Gas Co., Blanco Mesa Verde-Basin Dakota Fields, San Juan County, N. Mex.	Well was plugged	
CI74-528	Exxon Corp., P.O. Box 2180,	El Paso Natural Gas Co., Sand-	3 51. 39	14, 65
C 11-11-74 C175-256	Houston, Tex. 77001. CIG Exploration, Inc., 5 Greenway Plaza East, Houston, Tex. 77046.	Hills Field, Crane County, Tex. Panhandle Eastern Pipe Line Co., acreage in Seward County, Kans.	4 18. 513125	14. 05
CI75-276 A 10-29-74	McCulloch Oil Corp., 10880 Wilshire Blvd., Suite 1500, Los Angeles, Calif. 90024.	Transcontinental Gas Pipe Line Corp., North Lake des Alle- mands Field, St. John the Bap- tist Parish, La.	* 43.0	14.73
C175-288 A 11-4-74	Terra Resources, Inc., 5416 South Yale Ave., Tulsa, Okla. 74135.	Arkansas Louisiana Gas Co., South Stuart Area, Pittsburg County, Okla.	* 7 53.0	14.65

<sup>1 18</sup> CFR 2.76.

Filing code: A—Initial service:

B—Abandonment.

C—Amendment to add acreage:

D—Amendment to delete acreage:

Partial succession:

See footnotes at end of table:

Docket No. and date filed	Applleant	Purchaser and location	Price per Mef	Pres- sure buse
C175-299	Terra Resources, Inc. (successor to CRA, Inc.), 5416 South Yale Ave., Tules, Okla. 74133.	zz.do	* 17.0	14, 65
C175-294 A 11-6-74 1	Exxen Corp., P.O. Box 2180, Houston, Tex. 77001.	United Gas Pipe Line Co., East McPaddin Field, Victoria County, Tex.	1 # 50.0	14.65
CI75-297 (C874-245) F 11-7-74	Terra Resources, Inc. (specessor to Callery Properties, Inc.).		# 26,775	15.025
	Panhandle Western Gus Co., P.O. Box 1348, Kansas City, Mo. 64141.		11 58, 514	14.95
(C167-800) B 11-6-74	Sun Oil Co., P.O. Box 2880, Dallas, Tex. 75231.	Northern Natural Gas Co., Perryton Field, Ochiltree County, Tex.	Production has coused	
C176-315 (C166-248) B 11-11-74	Aberdeen Gas Corp., P.O. Box 668, Aberdeen, Miss. 39780.		Uneconomic	
	Anadarko Production Co., P.O. Box 1330, Houston, Tex. 77001.	Northern Natural Gas Co., Ehe- rard Field, Blaine and Choulesu Counties, Mont.	1 43,0	14.73
CI75-318 (Q-18430) B 11-14-74	Shell Oil Co., P.O. Box 2009,I Houston, Tex. 7700L		Depleted	
	Getty Oil Co., P.O. Box 1404, Houston, Tex. 77001.	Texas Gas Transmission Corp., Block 217, Engene Island Ares, offshore Louisiana.	# 43, 8612	15, 025

1 Being renoticed, because by amendment to application filed 10-21-74, Applicant requests a certificate in ac-

\* Bodge removed and downward Bin adjustment.

\* Soliheet to myward and downward Bin adjustment.

\* Soliheet to myward and downward Bin adjustment.

\* Include 650 cent per thousand cubic feet for substantial gathering and 4.16 cents per thousand cubic feet upward.

Bin adjustment.

8 Being renoticed, because by amendment to application filed 11-18-74, Applicant requests a different price.

8 Subject to upward and downward Bin adjustment and excluding 1.0 sent per thousand cubic feet proposed to charged for gathering.

9 Subject to contractual Bin adjustment.

1 Applicant is willing to accept a certificate in accordance with Opinion No. 699.

1 Applicant proposes to continue a sale of gas presently being made under Pennnell Producing Co.'s rate schedule and to begin a sale under a new contract.

1 Subject to upward and downward Bin adjustment; estimated upward adjustment is 1.0 cent per thousand enther feat.

Cubic feet.

N Includes 5.275 cents per thousand cubic feet tax reimbursement.

As adjusted for But content.

[FR Doc.74-28112 Filed 12-4-74;8:45 am]

[Docket No. RI75-231 D. M. MAGEE CO.

Special Relief

NOVEMBER 26, 1974.

On August 23, 1974, D. M. Magee Co. (Magee) filed a petition for special relief pursuant to § 2.76 1 of the Commission's general policy interpretations for a sale of natural gas to Natural Gas Pipeline Company of America (Natural) from the Armstrong Pield, Jim Hogg County, Texas (Texas Railroad Commission District No. 4).

Magee is currently selling natural gas to Natural pursuant to a base contract dated December 15, 1969, providing for a current rate of 24 cents per Mcf at 14.65 psia. By agreement dated April 1, 1974, Natural agreed to pay Magee 45 cents per Mcf, plus Btu adjustment, in order to increase production from two presently producing wells. Over 30 MMcf of gas is expected to be added to interstate commerce through the installation of compression facilities on these wells.

Our Staff has undertaken a careful review of the data submitted by Magee in support of its petition and in response to Staff inquiries, and, based on the reserves to be recovered and the costs to be incurred, has concluded that the proposed rate of 45 cents per Mcf, 46.64 cents per Mcf after Btu adjustment, is supported by the evidence in this proceeding. After due consideration of the record in this proceeding, including the analysis by the Staff, and the information supplied in support of the petition by Magee, we conclude that the petition should be granted.

A notice of the filing of the petition was issued on September 4, 1974, and it appeared in the FEDERAL REGISTER on September 11, 1974, at 39 FR 32781, No. protests or petitions to intervene have been filled.

The Commission orders. (A) The petition for special relief filed by Magee on August 23, 1974, in Docket No. RI75-23 is hereby granted and Magee is authorized to charge and collect from Natural a rate of 45 cents per Mcf of natural gas plus tax and Btu adjustment at 14.65 psia, as of the date of issuance of this order.

(B) The amendment executed on April 1, 1974, by Magee and Natural to the base contract of December 15, 1969, is accepted for filing as Supplement No. 7 to Magee's FPC Gas Rate Schedule No. 1.3

By the Commission.

[SEAT.] KENNETH F. PLUMB, Secretary.

[FR Doc.74-28432 Filed 12-4-74;8:45 am]

The Notice of Change in Rate filed by Magee reflecting the change is designated as Supplement No. 8 to Magee FPC Gas Rate Schedule No. 1.

[Docket No. RP75-28]

## EAST TENNESSEE NATURAL GAS CO. **Decision on Applications**

NOVEMBER 27, 1974.

On October 31, 1974, East Tennessee Natural Gas Co., (East Tennessee) tendered for filing 26 tariff sheets as proposed changes in its FPC Gas Tariff Sixth Revised Volume No. 1.1 The revised tariff sheets set forth a curtailment plan for East Tennessee's system and are being filed pursuant to Commission Order No. 431 in Docket No. R-418 and pursuant to and in conformity with the Commission's Order No. 467-B in Docket No. R-469, as modified by Opinion No. 647-A, in that firm industrial requirements up to 300 Mcf per day are included within Priority 2 Service. East Tennessee requests that the Commission waive the notice requirement, pursuant to Section 154.51 of the Commission's Rules and Regulations, thereby allowing the tariff sheets to become effective on the date of the Commission's order. In the alternative, an effective date of December 1, 1974 is requested.

East Tennessee states that the filing herein was necessitated by curtailments imposed by its sole supplier of natural gas, Tennessee Gas Pipeline Co., a Division of Tenneco, Inc. (Tennessee), Tennessee began curtailing deliveries to East Tennessee on January 1, 1974, and increased the level of curtailment on September 23, and again on October 21, 1974. Therefore, East Tennessee states it can no longer properly curtail deliveries to its customers within its existing contract and tariff provisions.

East Tennessee's proposed plan contains a special adjustment provision to meet emergency conditions as required by Commission Order Nos. 467-A, 467-B, and 467-C. A customer receiving gas under this provision is required to repay the gas to East Tennessee. East Tennessee's filing also includes a provision for the imposition of an overrum penalty for volumes taken in excess of entitlement under the provisions of the curtailment plan, and creates a new demand charge credit account and provides for the recovery of the balance in such account by periodic commodity rate adjustments.

A timely petition to intervene was filed by Knoxville Utilities Board, et al.,

<sup>2</sup> Original Sheet Nos. 74A, 74B, 74C, and 74D First Revised Sheet Nos. 35, 40, 53, 58, and 62; Second Revised Sheet Nos. 6, 10, 13, 22, 46, 69, 70, 71, 72, 73, and 74; Fourth Revised Sheet Nos. 5, 9, 12, 23, and 27; Ninth Revised Sheet No 4

<sup>2</sup>Knoxville filed a joint petition to Intervene with Athens Utility Board, Citizens Utility District, Cookeville Gas Department, The Elk River Public Utility District, Etowah Utilities Department, Payetteville Gas System, Gallatin Natural Gas System, Harriman Utility Board, Lenoir City Utilities Board, Lewisburg Gas Department, Loudon Utilities Board, Madisonville Gas System, First Utility District of Maury County, Middle Tennessee Utility District, Rockwood Natural Gas Company, Marion Natural Gas System, City of Sweetwater Gas Department, Jefferson-Cocke County Utility District, Sevier County Utility Volunteer Natural Gas Company, and United Cities Gas Company.

(Knoxville) . Knoxville requests the Commission set East Tennessee's filing herein for formal hearing. Knoxville opposes East Tennessee's filing because it is seeking to recover its fixed costs, during periods of curtailment, thereby directly affecting the overall production expenses of East Tennessee's customers in that they would be required to pay fixed costs on deliveries of natural gas which they would not be receiving; and (2) East Tennessee proposes to implement its curtailment plan on base volumes which have been adjusted by East Tennessee under circumstances not fully known by Knoxville. In light of Knoxville's intervention and request for formal hearing. and the lack of data indicating the composition of East Tennessee's market and the effect of the proposed curtailment plan on East Tennessee's system, we shall suspend East Tennessee's filing for one day to December 2, 1974, and order a formal hearing be held under Section 4 (e) of the Natural Gas Act on the issues raised by East Tennessee's filing. Specifically, East Tennessee shall file testimony and evidence documenting the composition of its market; the method utilized in determining the basis for curtailment; the anticipated level of curtailment for the next 3 years; and the effect of same on its customers. Those parties supporting modification of or deviation from the Order No. 467-B plan or the priorities contained therein shall be required to present evidence in support of their position.

The Commission finds. (1) The intervention of the above-named parties may

be in the public interest.

(2) That a formal hearing is necessary and proper in the instant proceeding and that the procedures hereinafter established are required for the hearing.

(3) It is necessary and appropriate for the purposes of the Natural Gas Act, particularly Sections 4, 5, and 16 thereof, that the operation of the revised tariff sheets, tendered by East Tennessee on October 31, 1974, and designated in footnote 1, supra, be suspended for one day

to December 2, 1974.

The Commission orders. (A) Pursuant to the authority of the Natural Gas Act, particularly sections 4, 5, and 16 thereof, the Commission's rules of practice and Procedure, and the regulations under the Natural Gas Act, a public hearing shall be held on February 3, 1975, at 10 a.m. in a hearing room of the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, concerning the issues raised by the instant filing.

(B) A Presiding Administrative Law Judge to be designated by the Chief Administrative Law Judge for this purpose [see Delegation of Authority, 18 CFR § 3.5 (d) ] shall preside at the hearing in these proceedings pursuant to the Commission's rules of practice and procedure.

(C) The above-named parties are hereby permitted to intervene in this proceeding, subject to the Rules and Regulations of the Commission: Protided, however, That the participation of such intervenors shall be limited to

matters affecting asserted rights and interests as specifically set forth in said petition for leave to intervene; and, Provided, further, That the admission of said intervenors shall not be construed as recognition by the Commission that they might be aggrieved by any order or orders of the Commission entered in this proceeding.

(D) East Tennessee is hereby ordered and required to file its testimony and exhibits in response to, but not limited to the issues set forth above on all parties including Commission Staff on or before

January 20, 1975.

(E) The Revised Tariff Sheets, filed by East Tennessee on October 31, 1974, and identified in footnote 1, supra, are hereby suspended for one day until December 2, 1974, and until made effective in the manner prescribed by the Natural Gas Act.

By the Commission.

[SEAL]

MARY B. KIDD, Acting Secretary.

[FR Doc.74-28445 Filed 12-4-74:8:45 am]

[Docket No. RI75-20]
JOHN C. GRAVES

Order Granting Intervention and Approving Petition for Special Relief

NOVEMBER 27, 1974.

On July 29, 1974, John C. Graves (Graves) filed a petition for special relief pursuant to § 2.76 of the Commission's General Policy Interpretations with respect to a sale of natural gas to Cities Service Gas Company (Cities) from certain leaseholds located in Barber County, Kansas, Hugoton-Anadarko Area.

Pursuant to a base contract dated February 2, 1972, Graves is currently selling gas to Cities at a rate of 16 cents per Mcf. By agreement of July 9, 1974, Cities agreed to pay Graves 40 cents per Mcf provided Graves installed water removal equipment designed to increase the reserves recoverable from the leasehole, specifically the Lenker No. 1 well. Over 400 MMcf of gas is estimated to be added to interstate commerce as a result of the proposed reworking program.

On November 11, 1974, Graves filed an ariendment to its application providing for a reduction in the rate requested from 40 cents per Mcf to 36 cents per Mcf. This reduction was made in accordance with our Staff's determination that, based on the costs to be incurred and the reserves to be recovered, 36 cents per Mcf represented a just and reasonable rate for this gas. Upon consideration of the record in this proceeding, including the Staff analysis of the data submitted, we concur.

Notice of the petition was issued August 28, 1974, and appeared in the FEDERAL REGISTER on September 5, 1974, at 39 FR 32187. Cities filed a petition to intervene.

The Commission orders. (A) The petation for special relief filed by Graves in Docket No. RI75-20 is granted as amended. Graves is authorized to collect 36 cents per Mcf for all gas produced from certain leaseholds stated in the petition as of the date the Commission receives a notice of independent producer rate change reflecting the terms of the amended contract.

(B) Within thirty days of the issuance of this order Graves and Cities are directed to file an amendment to the July 9, 1974, agreement providing for the reduction of the price provision from 40 cents per Mof to 36 cents per Mof pursuant to the amendment of the Graves petition filed on November 11, 1974.

(C) The petition to intervene of Cities is granted as necessary and proper for the public interest.

By the Commision.

[SEAL] KENNETH F. PLUMB,

Secretary. [FR Doc.74-28436 Filed 12-4-74;8:45 am]

[Docket No. RP72-149 PGA 75-5]
MISSISSIPPI RIVER TRANSMISSION CORP.

**Proposed Change in Rates** 

NOVEMBER 26, 1974.

Take notice that Mississippi River Transmission Corp. (Mississippi) on November 15, 1974, tendered for filing Twenty Fifth Revised Sheet No. 3A to its FPC Gas Tariff, First Revised Volume No. 1 to become effective January 1, 1975.

Mississippi states that the instant filing was made pursuant to the purchased gas cost adjustment provisions of Mississippi's tariff to reflect the rate change filing of United Gas Pipe Line Co. ("United") pursuant to the provisions of its tariff.

Mississippl further states that it included with the instant filing, Alternate Twenty Fifth Revised Sheet No. 3A, which reflects United's rates to be effective January 1, 1975, providing United's "Petition for Special Relief" at Docket No. RP75-22 is not permitted to become effective November 2, 1974. Mississippi requests that either Twenty Fifth Revised Sheet No. 3A or Alternate Twenty Fifth Revised Sheet No. 3A or Alternate Twenty Fifth Revised Sheet No. 3A be accepted for filing January 1, 1975 (contemporaneously with the effective date of United's change) depending on the action taken by the Commission regarding United's "Petition for Special Relief".

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 18, 1974. Protests will be considered by the Commission to determine appropriate action to be taken but will not serve to make protestants parties to the proceeding. Copies of this filing are on file

<sup>1 18</sup> CFR 2.76.

for public inspection.

MARY B. KIDD, Acting Secretary.

[FR Doc.74-28440 Filed 12-4-74;8:45 am]

[Docket No. CP75-147]

## NATURAL GAS PIPELINE CO. OF AMERICA Petition for Declaratory Order and for Waiver of Regulations

NOVEMBER 27, 1974.

Take notice that on November 19, 1974, Natural Gas Pipeline Co. of America (Petitioner), 122 South Michigan Avenue, Chicago, Illinois 60603, filed in Docket No. CP75-147 a petition for a declaratory order stating that certain facilities and operations required for the production and delivery of artificial gas produced by anaerobic processing (biogasification) of animal waste and the production and sale of such gas are not subject to the jurisdiction of the Commission, and for a waiver of the Commission's regulations to permit Petitioner to recover the cost of the biogasified gas (biogas) pursuant to the purchased gas adjustment clause of Petitioner's tariff or, alternatively, to permit Petitioner to account for the cost of biogas as research and development expenses, even though Petitioner does not and will not own or operate the production facilities, all as more fully set forth in the petition, which is on file with the Commission and open to public inspection.

Petitioner states that it has entered into a contract, dated October 4, 1974, with Calorific Recovery Anerobic Process, Inc. (Calorific), wherein Calorific represents that it will construct and operate facilities for the anaerobic processing of animal waste and agrees to sell and deliver the artificial gas produced by this process to petitioner. The agreement, according to Petitioner, is contingent upon the obtaining by the parties of satisfactory contracts for such operations as plant construction and siting, animal waste procurement, and gas gathering, and upon satisfactory regulatory authorization. Calorific, Petitioner states, estimates deliveries of gas to be 641,000 Mcf per year initially and 1 million Mcf per year if the anaerobic process is as prolific as hoped. The base price under the October 4, 1974, agree-ment for the blogas is \$1.33 per Mcf, subject, in addition to Btu and tax adjustments, to a one-time adjustment for increases in Calorific's construction costs 14 months after contract execution.

The application states that the biogas, will be compressed by Petitioner and gathered to the existing gathering system of Dorchester Gas Producing Co. (Dorchester) in the Hugoton Field, Texas County, Oklahoma, where it will be commingled with natural gas. Dorchester's system is described as a system which gathers gas from various wells up to Petitioner's Compressor Station No. 101 near Hooker, Oklahoma, at which point it enters Petitioner's mainline in-

with the Commission and are available terstate system. In order to implement the delivery of the biogas Petitioner proposes to construct a 550 horsepower compressor facility to facilitate flow from the processing plant into Dorchester's gathering system, a 6-inch gathering line approximately 1/2 mile in length from Calorific's plant to Dorchester's gatherlines, and a metering facility. Petitioner estimates the cost of these facilities at \$362,000. Petitioner further states that Calorific has not yet acquired land for the plant and will not do so until, among other prerequisites, the Commission takes action on the instant petition.

Petitioner for the purpose of removing uncertainty created by the fact that the Commission has never taken a position on gas produced from animal waste requests the Commission to issue a declaratory order that Calorific's proposed facilities are beyond the jurisdiction of the Commission, due to the fact that the proposed process, which generates methane from the actions of anaerobic bacteria on animal waste, has the same jurisdictional characteristics as the manufacture of synthetic natural gas from naphtha or as coal gasification, both of which processes the Commission has found to be non-jurisdictional.

Petitioner further requests a declaratory order that Petitioner's and Dorchester's operations involved in the transportation of the gas from the tallgate of Calorific's plant to Petitioner's Compressor Station No. 101, because of the gathering exemption of section 1(b) of the Natural Gas Act, are not subject to the jurisdiction of the Commission.1 Petitioner contends that uncertainty as to the jurisdictional status of operations and facilities in Dorchester's gathering system arises by the fact that Dorchester has been granted a certificate covering gathering done on behalf of Petitioner, and that Dorchester's gathering charge to Petitioner is covered by Dorchester's Rate Schedule No. 9. In addition, Petitioner states that Dorchester is selling gas to Petitioner under Dorchester's Rate Schedule No. 2, which reflects service rendered by Petitioner in gathering its gas, in addition to the cost of purchased gas. Petitioner further states that a certificate was issued in Dorchester Corp., Docket No. G-4907, on June 27, 1955, authorizing the sale to Petitioner, together with the continued operation of any facilities subject to the jurisdiction of the Commission used for the sale of natural gas in interstate commerce, as described in the application in that proceeding. Accordingly, Petitioner requests the Commission to declare that the facilities and operations of Natural and Dorchester upstream of Compressor Station No. 101 are non-jurisdictional under the gathering exemption of the Natural Gas Act.

<sup>1</sup>The petition states that the biogas will be commingled with natural gas in Dor-chester's system at the tailgate of Calorific's plant.

Petitioner also requests the Commission to remove the uncertainty regarding Petitioner's ability to recover through its rates the costs of purchasing the biogas. Petitioner asserts that this uncertainty is created by footnote 1 to section 154.38 (18 CFR 154.38) of the Commission's regulations under the Natural Gas Act, which states that liquefied natural gas, synthetic natural gas and gas from coal gasification shall not be reflected in a purchased gas adjustment clause without prior Commission approval. Petitioner claims that this uncertainty is compounded by a recent Commission decision in which pipelines purchasing liquefied natural gas were required to transport and sell regasified LNG on an incremental basis, Columbia LNG Corp., et al., 48 FPC 723. Petitioner states that it cannot prudently purchase biogas unless it is assured of recovering its purchased gas costs. Petitioner further states that such gas is needed as a supplementary supply for its system, which is already experiencing serious curtailment, that biogas will cost no more than any other supplementary sources of artificial gas, and that operating experience obtained from this first plant should permit improved design and operation of subsequent plants leading to lower costs per Mcf of gas. Petitioner also claims that the anaerobic process will reduce the toxicity of animal waste and lessen its otherwise obnoxious characteristics, and that plant effluent has a much greater versatility as a fertilizer than does raw animal waste. As an alternative to purchased gas adjustment treatment for biogas, Petitioner proposes that the cost of purchased gas be accounted for as research and development expenses. Petitioner further asserts that incremental pricing would be wholly impractical, especially in view of the fact that, assuming the purchase of 1 million Mcf of biogas annually, the impact on Petitioner's average cost of gas would only be 0.1 cent per Mcf.

Petitioner, therefore, further requests that the Commission waive its regulations to permit the cost of the gas to be purchased from Calorific to be treated in accordance with Petitioner's purchased gas adjustment clause, or, alternatively. as part of research and development expenses

Any person desiring to be heard or to make any protest with reference to said petition should on or before December 19, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding-Any person wishing to become a party to a proceeding or to participate as a party

in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

MARY B. KIDD, Acting Secretary.

[FR Doc.74-28444 Filed 12-4-74;8:45 am]

[Docket No. CP74-162]

# NATURAL GAS PIPELINE CO. OF AMERICA Amendment to Application

NOVEMBER 27, 1974.

Take notice that on November 18, 1974. Natural Gas Pipeline Co. of America (Applicant), 122 South Michigan Avenue, Chicago, Illinois 60603, filed in Docket No. CP74-162 an amendment to its application filed in said docket pursuant to section 7(c) of the Natural Gas Act to request authorization for the construction and operation of exchange facilities in addition to those originally proposed and to modify its request for authorization to construct and operate certain facilities originally proposed, all as more fully set forth in the amendment to the application, which is on file with the Commission and open to public inspection.

In its original application 1 Applicant proposes to exchange up to 40,000 Mcf of gas per day with El Paso Natural Gas Co. (El Paso) pursuant to an exchange agreement dated September 24, 1973. Applicant now states that it has since entered into two contracts with Perry R. Bass and Bass Enterprises Production Company (Bass) to purchase gas from three wells in the Sun State No. 1 Area and the Pecos Federal No. 1 Area, Eddy County, New Mexico, and that while Applicant's nearest existing facility to which the gas supply from these areas might be connected is approximately 21 miles away, El Paso has existing gathering facilities in the immediate area which may be used to receive the gas from Bass. Applicant further states that El Paso has informed Applicant that it has a source of gas available to it in Beckham County, Oklahoma, without facilities to accommodate delivery into El Paso's own system, but that Applicant has an existing 26-inch pipeline in Beckham County. Accordingly, Applicant and El Paso have amended the gas exchange agreement dated September 24, 1973, by amendment dated September 24, 1974, to provide for the following exchange points for which Applicant desires certification:

Beckham Exchange Point, Section 34, Township 11 North, Range 25 West, Beckham

County, Oklahoma;

Eddy No. 1 Exchange Point, Section 22, Township 21 South, Range 27 East, Eddy County, New Mexico;

Eddy No. 3 Exchange Point, Section 1, Township 22 South, Range 27 East, Eddy County, New Mexico;

Eddy No. 4 Exchange Point, Section 2, Township 22 South, Range 27 East, Eddy County, New Mexico. Applicant states that Bass will deliver Applicant's gas at the Eddy County exchange points and that El Paso will deliver gas to Applicant at the Beckham County exchange point.

As a result of contracts Applicant has entered into with Lone Star Producing Company (Lone Star), Applicant further amends its original application to provide for facilities to connect one additional well in the San Martine Field, Reeves County, Texas, Applicant further requests authority to construct an 8-inch pipeline and 6-inch measuring facility in lieu of the originally proposed 10-inch pipeline and 8-inch measuring facility, stating that the reduced size of the proposed facilities has been determined to be adequate to accommodate the delivery of the purchased gas from the San Martine Field to El Paso's existing 36-inch pipeline in Reeves County.

Applicant states that to implement the revised exchange arrangement it must construct a measuring facility and approximately 0.75 mile of 6-inch pipeline in Reeves County and a tap connection on its existing 26-inch pipeline in Beckham County, all at an estimated cost of \$604,500, which will be met from funds on hand.

Any person desiring to be heard or to make any protest with reference to said amendment should on or before December 18, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules. Persons who have already filed to participate as a party in the instant proceeding need not do so again.

MARY B. KIDD, Acting Secretary.

[FR Doc.74-28443 Filed 12-4-74;8:45 am]

[Docket No. E-9115]

## OKLAHOMA GAS AND ELECTRIC CO.

Agreement for Electric Service

NOVEMBER 27, 1974.

Take notice that on November 18, 1974, Oklahoma Gas and Electric Co. (OG&E) tendered for filing an Agreement for Electric Service (Agreement) with Alfalfa Electric Cooperative, Inc. (Alfalfa). OG&E states that the Agreement provides for wholesale electric service at a new point of delivery near Helena, Oklahoma, and is similar to other agreements on file with the Commission.

OG&E states that, in order to provide service to Alfalfa at the new point of delivery, the Company will tap on existing 12.5 kV line and add primary metering. The Company states further that the rate for service at the new delivery point will be OG&E's PN-2 Rate Schedule, the Company's standard schedule for service to Rural Electric Cooperatives. Estimated billing to Alfaifa at the new delivery point, for the twelve month period ending November 30, 1975, is \$7336.31, according to OG&E.

OG&E requests a December 1, 1974, effective date for the Agreement, that date being the projected date for completion of the facilities necessary to provide service to Alfalfa at the new location.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426. in accordance with \$\$ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 10, 1974, Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

Mary B. Kidd, Acting Secretary. [FR Doc.74-28442 Filed 12-4-74:8:45 am]

[Docket No. E-8928]

## PACIFIC GAS AND ELECTRIC CO. Extension of Procedural Dates

NOVEMBER 26, 1974.

On November 20, 1974, Staff Counsel filed a motion to extend the procedural dates fixed by order Issued August 22, 1974, in the above-designated matter, The motion states that all parties were notified and have no objections.

Upon consideration, notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of Staff Evidence, January 3, 1975. Service of Intervenor Evidence, February 4, 1975.

1975. Service of Company Rebuttal, March 4, 1975. Hearing, March 25, 1975 (10 s.m., e.d.t.).

> MARY B. KIDD, Acting Secretary.

[FR Doc.74-28435 Filed 12-4-74;8:45 am]

[Docket No. RP73-49; PGA No. 75-3] SOUTH GEORGIA NATURAL GAS CO.

Revision to Tariff

November 27, 1974.

Take notice that on November 18, 1974,
South Georgia Natural Gas Co. (South
Georgia) tendered for filing as part of

<sup>&</sup>lt;sup>1</sup> Notice of the application was published in the Federal Register on January 21, 1974 (39 FR 2402).

Original Volume No. 1 to its FPC Gas Tariff the following revised tariff sheets:

Tenth Revised Sheet No. 3A Thirty-Fifth Revised Sheet No. 5 Thirty-Fourth Revised Sheet No. 6 Twenty-Sixth Revised Sheet No. 0 Twenty-Fifth Revised Sheet No. 11 Twenty-Ninth Revised Sheet No. 12B

South Georgia states that the above sheets represent a rate change under its PGA clause, such clause approved to become effective April 14, 1973, by Commission Order in FPC Docket No. RP73-49. The company further states that it proposes to increase its rates to jurisdictional customers by \$407,695 to track a rate increase filing by Southern Natural Gas Co. (Southern) on November 15, 1974, which filing increases South Georgia's cost of gas for all customers by \$651,643 annually. An effective date of January 1, 1975 is requested.

South Georgia has requested waiver of the forty-five (45) day notice requirement as set forth in § 14.2(e) of the general terms and conditions of South Georgia's FPC Gas Tariff. South Georgia states that knowledge of Southern's filing, which South Georgia proposes to track, was not known to South Georgia until November 14, 1974 making it impossible for South Georgia to comply with the forty-five (45) day notice re-

quirement.

South Georgia states that copies of this filing are available at the Company's office in Thomasville, Georgia, and are also being mailed to its purchasers, State Commissions, and other interested parties.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 11, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

MARY B. KIDD, Acting Secretary.

[FR Doc.74-28441 Filed 12-4-74;8:45 am]

TENNESSEE GAS PIPELINE CO.
Filing of Petition for Temporary

Emergency Relief

NOVEMBER 27, 1974.
Take notice that on November 15, 1974,
Kerr-McGee Chemical Corporation
(Kerr-McGee) filed in Docket No. RP7491-15, a petition pursuant to \$ 1.7 of the
Commission's rules of practice and procedure and \$ 2.78 of the Commission's

rules and regulations, requesting relief from curtailments to be imposed by its sole supplier of natural gas, Tennessee Gas Pipeline Company, a Division of Tenneco, Inc. (Tennessee). Specifically, Kerr-McGee requests that it be granted immediate temporary relief in an amount at least equivalent to 984 Mcf per day effective as of and since November 1, 1974, for a period of 90-120 days.

Kerr-McGee, Tennessee's sole direct industrial customer, states that it produces at its Hamilton, Mississippi plant under a firm contract, 25 percent of the nation's output of methyl parathion which is used to control boll weevil infestation, 20 percent of the national production of sodium chloride, which is used in the harvesting of cotton; and 30 percent of the nation's manganese output, which is used by the steel industry in the manufacture of stainless steel, aluminum

alloys, and welding rods. Kerr-McGee states that it was informed, by letter of September 23, 1974, that its deliveries of natural gas would be curtailed by approximately 10 percent from September 23-October 31, 1974, due to damage to Tennessee's facilities in the Gulf Coast area caused by hurricane Carmen. The September 23 letter stated that Kerr-McGee's November-December, 1974 curtailment period quantity entitlement (CPQE) would not be reduced, but would remain at the quantity set forth in a December 27, 1973 letter from Tennessee to Kerr-McGee (217,770 Mcf). On October 25, 1974, Tennessee informed Kerr-McGee that due to a supply deficiency it would have to decrease Kerr-McGee's entitlement for the entire winter season (November 1, 1974-March 1, 1975) to 267,270 Mcf. This averages 1,770 Mcf per day, which Kerr-McGee asserts is less than half of the Hamilton plants normal usage and contract demand level of 3.570 Mcf per day.

Kerr-McGee states that it has avoided shutdowns or reductions in its activity by: (1) increasing the use of propane, the only possible alternate fuel for the Hamilton plant, to the extent possible; and (2) reducing daily natural gas consumption to approximately 2,750 Mcf. Continued consumption of natural gas at the latter rate will however, exhaust Kerr-McGee's entitlement for the winter season within 97 days; therefore no gas would be available to Kerr-McGee under Tennessee's curtailment provisions for the remaining 54 days of the winter season. If such a situation arose, Kerr-McGee states, the Hamilton plant would have to be closed, regardless of the availability of alternate fuels. Kerr-McGee states that 1,770 Mcf is required to meet the daily process needs of the plant, and the 984 Mcf, which is the subject of the instant petition, is needed to generate steam for its industrial operations. Furthermore, Kerr-McGee states the degree of requested relief is contingent upon the continued availability of existing propane supplies and no further reduction in gas supplies from Tennessee.

A shortened notice period in this proceeding may be in the public interest. Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 or 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All petitions or protests should be filed on or before December 13. 1974. Protests will be considered by the Commission in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

> MARY B. KIDD, Acting Secretary.

[FR Doc.74-28448 Filed 12-4-74;8:45 am]

[Docket No. RP74-41, PGA75-3]

TEXAS EASTERN TRANSMISSION CORP.
Proposed Changes in FPC Gas Tariff

NOVEMBER 26, 1974.

Take notice that Texas Eastern Transmission Corp. (TETCO) on November 18, 1974, tendered for filing proposed changes in its FPC Gas Tariff, Fourth Revised Volume No. 1, the following sheets:

Fifth Revised Sheet No. 14A Fifth Revised Sheet No. 14B Fifth Revised Sheet No. 14C Fifth Revised Sheet No. 14C Alternate Fifth Revised Sheet No. 14 Alternate Fifth Revised Sheet No. 14B Alternate Fifth Revised Sheet No. 14B Alternate Fifth Revised Sheet No. 14C Alternate Fifth Revised Sheet No. 14C

Fifth Revised Sheet No. 14

TETCO states that these sheets are being issued pursuant to Texas Eastern's Demand Charge Adjustment Commodity Surcharge provision and the Purchased Gas Cost Adjustment provision contained in section 12.4 and section 23, respectively, of the General Terms and Conditions of its FPC Gas Tariff, Fourth Revised Volume No. 1 and that the Cost of Gas Adjustment contained in the rates proposed by Texas Eastern reflects increases from Texas Eastern's producer suppliers and from United Gas Pipe Line Company. TETCO further states that it has filed two sets of tariff sheets pending the Commission's decision regarding United's petition for special relief filed October 2, 1974 in connection with Opinion No. 699. The proposed effective date of the above tariff sheets is January 1, 1975.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, in accordance with \$\frac{1}{2}\$ 1.8 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 18, 1974. Petitioners will be considered by the Commission to determine the appropriate action to be taken, but will not

serve to make protestants parties to the proceeding. Copies of this filing are on file with the Commission and are available for public inspection.

> MARY B. KIDD. Acting Secretary.

[FR Doc.74-28446 Filed 12-4-74;8:45 am]

[Docket Nos. RP72-23, et al.]

TRUNKLINE GAS CO.

**Extension of Procedural Dates** 

NOVEMBER 27, 1974.

On November 29, 1974, Staff Counsel filed a motion to extend the procedural dates fixed by order issued October 8. 1974, in the above-designated matter. The motion states that Trunkline Gas Co. and Consumers Power Co. have been contacted and have no objections.

Upon consideration, notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of Staff Evidence, January 7, 1975. Service of Intervenors Evidence, January 21,

Service of Trunkline Rebuttal, February 3,

Hearing, February 18, 1975 (10 a.m., e.s.t.). MARY B. KIDD,

Acting Secretary. [FR Doc.74-28434 Filed 12-4-74;8:45 am]

[Docket Nos. CP75-149, etc.]

## TRUNKLINE GAS CO. ET AL. **Applications**

NOVEMBER 27, 1974.

Take notice that on November 18, 1974, and November 19, 1974, several applicants filed in Docket Nos. CP75-149, CP75-151, CP75-152, and CP75-153 applications pursuant to section 7(c) of the Natural Gas Act for certificates of public convenience and necessity authorizing the exchange and transportation of natural gas in interstate commerce for the purpose of attaching supplies of natural gas in the South Marsh Island Area, offshore Louisiana, by means of the South Marsh Line, an offshore pipeline proposed to be constructed in Docket No. CP75-19 by Trunkline Gas Company, all as more fully set forth in the applications, which are on file with the Commission and open to public inspection.

The applicants are:

Trunkline Gas Co. (Trunkline), P.O. Box 1842, Houston, Texas 77001, in Docket No. CP75-149:

Southern Natural Gas Co. (Southern), P.O. Box 2563, Birmingham, Alabama 35202, in Docket Nos. CP75-151, CP75-152, and CP75-153;

United Gas Pipe Line Co. (United), 1500 Southwest Tower, Houston, Texas 77002, in Docket No. CP75-153;

Plorida Gas Transmission Co. (Florida), P.O.

Box 44, Winter Park, Florida 32789, in Docket No. GP75-153.

On November 18, 1974, Trunkline filed in Docket No. CP75-149 an application for a certificate of public convenience and necessity authorizing the transportation of gas for Southern and the construction of a tap and side valve at a proposed new delivery point to Southern. The application states that Trunkline, pursuant to a contract with Southern dated September 11, 1974, as amended November 12, 1974, proposes to transport for Southern, on a firm basis, up to 140,000 Mcf of gas per day purchased by Southern from Hunt Oil Company (Hunt) and TransOcean Oil, (TransOcean), in Blocks 268, 269, and 281, South Marsh Island Area (South Marsh Blocks), and delivered to Trunkline in said offshore blocks. The gas is to be transported through the South Marsh Line and Trunkline's existing Terrebonne system to the existing Calumet Processing Plant, operated by Shell Oil Co., and the Proposed Patterson II Processing Plant, to be operated by Placid Oil Co., both located near the Patterson Oil and Gas Field in St. Mary Parish, Louisiana. The gas will eventually be redelivered to Southern at a new point of redelivery (Shadyside) 4.9 miles downstream of the Calumet Processing Plant at the intersection of Trunkline's 20-inch pipeline and Southern's 12-inch line, and, when the Patterson II Processing Plant becomes operative, at the outlet of said plant. The September 11, 1974, contract provides that deficiencies in the balances between deliveries and redeliveries shall be adjusted as promptly as is consistent with proper operating conditions.

Trunkline proposes to charge Southern for the service to be performed \$221,200 per month during the period of construction of the proposed Patterson II Processing Plant and \$271,600 per month after said plant is placed into operation. Trunkline also proposes to construct a tap and side valve at Shadyside at a cost

estimated to be \$55,000.

On November 19, 1974, Southern filed in Docket No. CP75-151 an application for a certificate of public convenience and necessity authorizing the transportation and exchange of gas with United pursuant to an agreement between the two companies dated November 18, 1974. By use of a portion of Southern's transportation capacity in Trunkline's South Marsh Line, Southern proposes to transport for United up to 20,000 Mcf per day of gas purchased from TransOcean from points of receipt in the South Marsh Blocks to a point of redelivery, designated the Calumet Point of Redelivery, or to a point of redelivery, designated as the Bayou Sale Point of Redelivery,

The contract also provides for Southern to transport through the South Marsh Line gas purchased from such other reserves in the general area of said line as Southern may

wish to attach in the future. "This point will be either at the tailgate of the Calumet Processing Plant or at a point near said plant where gas is returned to Trunkline's 30-inch line from the proposed Patterson II Processing Plant.

which is the point of interconnection between the Southern and United systems near Bayou Sale in St. Mary Parish.

The application in Docket No. CP75-151 further states that the gas delivered to the Calumet Point of Redelivery by Southern will be the gas United has agreed to transport for TransOcean to Beaumont, Texas (see application in Docket No. CP75-153, infra), and that the remainder of United's gas will be redelivered by Southern at the Bayou Sale Point of Redelivery.

Southern proposes in the application in Docket No. CP75-151 that United pay a monthly charge which is a proportionate part of the monthly charge paid by Southern to Trunkline, plus a commodity charge of 1.2 cent per Mcf of gas delivered to the Bayou Sale Point of Rede-

livery

Also on November 19, 1974, Southern filed in Docket No. CP75-152 an application for a certificate of public convenience and necessity authorizing the transportation of up to 5,400 Mcf of gas per day by Southern for Hunt, again by means of Southern's capacity in Trunkline's South Marsh Line. In the application in Docket No. CP75-152 Southern proposes to transport for Hunt gas reserved by Hunt from production in the South Marsh Blocks to the proposed Patterson II Processing Plant and thence to Hunt's refinery near Tuscaloosa, Alabama, by means of approximately 430 miles of Southern's existing pipeline. Southern states, however, that it will have to construct approximately miles of pipeline to transport the gas from the Patterson II Processing Plant to its existing pipeline for such further transportation to Tuscaloosa. Southern further states that it contemplates applying shortly for authorization to construct said 1 1/2 miles of pipeline.

The transportation agreement Docket No. CP75-152 provides for Hunt to pay Southern a pro rata share of the price Southern pays to Trunkline for use of the South Marsh Line for the transportation to the Patterson II Processing Plant, plus a demand rate of \$2.00 per Mcf per month and a commodity rate of 8.5 cents per Mcf for the transportation for the remainder of the distance to Tuscaloosa.

Southern states that it has been able. in part, to acquire commitment of the new reserves in the South Marsh Island Area because of its willingness to enter into the arrangement for transportation of Hunt's gas, as described in the application in Docket No. CP75-152.

A joint application also filed on November 19, 1974, in Docket No. CP75-153 by Southern, United and Florida requests Commission authorization for arrangements to permit the transportation of gas for TransOcean from the South Marsh Blocks for use in a fertilizer plant near Beaumont, Texas. The application in Docket No. CP75-153 proposes that Southern and United, using their capacities in Trunkline's South Marsh Line, transport for TransOcean up to 35,393 Mcf of gas per day at 15.025 psia, plus

<sup>&</sup>lt;sup>1</sup>Notice of the application in Docket No. CP75-19 was published in the FEDERAL REGISTER on August 18, 1974 (39 FR.28946).

PVR gas, to the inlet side of the Patterson Gasoline Plant (Patterson Plant), or any other plant used by TransOcean in the vicinity of said plant. Southern and United will then transport Trans-Ocean's gas, less PVR gas, to Beaumont by means of an exchange agreement with Florida whereby Florida will deliver for the account of Southern daily equivalent volumes, up to 38,500 Mcf per day at 14.73 psia, which will be equal, as nearly as operationally feasible, to the volumes made available by TransOcean at the tailgate of the Patterson Plant, to Trans-Ocean, or TransOcean's nominee, at a point near Beaumont in exchange for equivalent quantities of gas delivered by Southern to Florida at existing points of interconnection of their systems near White Castle and/or Franklinton, Loui-

United's interest in the transportation arrangements arises, according to the application in Docket No. CP75-153, from Southern's assignment to United of 50 percent of its interest in both the applicable gas purchase contract and the applicable transportation agreement with TransOcean. The application further states that TransOcean shall pay Southern's and United's pro rata share of their cost of service for the transportation to the Patterson Plant, plus a commodity rate of 3.12 cents per Mcf and any additional cost of service incurred for the rest of the distance to Beaumont.

The application in Docket No. CP75—13 asserts that Southern and United have been able to acquire a valuable source of new reserves from Trans-Ocean's interest in the South Marsh Island Area, in part, because of their willingness to enter into the arrangement for transportation of TransOcean's gas, and that Florida, as a result of the exchange agreement, will be able to have gas available on its system at a point more advantageous to its system's needs.

Any person desiring to be heard or to make any protest with reference to said applications should on or before December 19, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, hearings will be held without further notice before the Commission on these applications if no petitions to intervene are filed within the time required herein, if the Commission on its own review of the matter finds that grants of the certificates are required by the public convenience and necessity. If petitions for leave to intervene are timely filed, or if the Commission on its own motion believes that formal hearings are required, further notice of such hearings will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearings.

> MARY B. KIDD, Acting Secretary.

[FR Doc.74-28428 Filed 12-4-74;8:45 am]

[Docket No. CP75-150]

## UNITED GAS PIPE LINE CO.

### Application

NOVEMBER 27, 1974.

Take notice that on November 18, 1974, United Gas Pipe Line Co. (Applicant), 1500 Southwest Tower, Houston, Texas, 77002, filed in Docket No. CP75-150 an application pursuant to section 7 (b) and (c) of the Natural Gas Act for permission and approval to abandon and sell a certain segment of pipeline and separation, measuring, and regulating facilities on Applicant's system in Ouachita Parish, Louisiana, and for a certificate of public convenience and necessity authorizing the construction of a measuring and regulating facility near Applicant's Shovan Junction Station in Ouachita Parish, all as more fully set forth in the application which is on file with the Commission and open to public inspec-

Applicant states that the Utilities Commission, City of Monroe, Louisiana (Monroe), one of Applicant's customers, has been unable to absorb increased curtailments and has, therefore, been receiving emergency deliveries from Applicant. Applicant further states that Monroe has acquired a local intrastate gas supply which cannot be received by Monroe without construction of a new pipeline. As a cost saving alternative for Monroe, Applicant has agreed to (1) relocate its present delivery point to Monroe at Idevan Station, (2) sell to Monroe approximately 13,200 feet of Applicant's 12-inch pipeline together with appurtenant separation, measuring, and regulating facilities at such delivery point, and (3) construct a new measuring and regulating facility near Applicant's Shovan Junction Station.

Applicant claims that Monroe has agreed to pay Applicant \$11,851.57 for the facilities proposed to be abandoned and to reimburse Applicant in the amount of \$29,720 for costs incurred in the construction of the new measuring and regulating facilities.

Applicant maintains that approval of the instant proposals could significantly reduce Monroe's future emergency gas requirements from Applicant and thereby increase the supply of gas available to all other customers of Applicant

Any person desiring to be heard or to make any protest with reference to said application should on or before December 18, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate and permission and approval for the proposed abandonment are required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

MARY B. Kidd, Acting Secretary. [FR Doc.74-28430 Filed 12-4-74;8:45 am]

[Docket No. RI75-10]
W. W. F. OIL CORP. ET AL.
Withdrawal

NOVEMBER 27, 1974.

On October 18, 1974, the Commission issued an order in W. W. F. Oil Corporation, et al. (WWF), Docket No. RI75-10, dismissing part of the petition for special relief and setting part of of the petition for hearing, and granting intervention. On November 12, 1974, WWF petitioned, pursuant to § 1.11(d) of the Commission's rules and regulations, for permission to withdraw, its petition for special relief. In its petition to withdraw WWF states that the reason therefor is that changing economic conditions have forced the company to cancel any further reworking operations. Consequently, we find that good cause exists to permit WWF to withdraw its petition for special relief.

The Commission orders. The petition for special relief filed by WWF in Docket

No. RI75-10, is hereby deemed withdrawn. The hearing set by the October 18, 1974 order is cancelled, and the proceeding in Docket No. RI75-10 is terminated.

By the Commission.

[SEAL] KENNETH F. PLUMB, Secretary.

[FR Doc.74-28437 Filed 12-4-74;8:45 am]

[Docket No. E-8965]

WISCONSIN POWER AND LIGHT CO.

Order Accepting for Filing and Suspending Rate Filing, Granting Waiver of Filing Requirements, and Establishing Procedures

NOVEMBER 27, 1974.

On August 7, 1974, Wisconsin Power and Light Company (WP&L) tendered for filing an Amendment dated August 2, 1974 to its Rate Schedule FPC No. 16, Contract for Electricity dated December 12, 1952 between Wisconsin Power and Light Company (WPL) and South Beloit Water, Gas and Electric Company (SBWGE). The proposed effective date

is September 15, 1974.

The Proposed Rate Schedule sets the contract energy charges for sale of electricity to SBWGE, a wholly owned subsidiary of WPL delivered from WPL's local electric distribution facilities in Wisconsin to the adjacent and interconnected distribution facilities of SWBGE in Illinois. The Amendment changes the annual rate of return from 6.13 percent on WPL's power system investment to a return based on its average cost of capital modified to reflect a return of 12 percent on common equity. WPL states that 118,600,000 KWH of energy were sold to SBWGE under this Schedule in 1973. The proposed Amendment will result in an increase in revenues to WP&L of approximately \$156,-567.93 for the year ending September 15, 1975

SBWGE states that it concurs in the filling of this Amendment, which amends its Rate Schedule FPC No. 2. No other party is effected by this Schedule.

Notice of WP&L's filing was issued on August 16, 1974, with comments, protests, or petitions to intervene due on or before August 30, 1974. No comments or petitions to intervene have been received

to date.

On August 27 and October 17, 1974, letters from the Secretary of the Commission enumerated various deficiencies in WP&L's filing. WP&L filed additional data on October 29, 1974, which cured in part these deficiencies, and WP&L requested waiver of certain of the filing requirements in §§ 35.13(b) (4) (iii) of the Commission's regulations.

WP&I states that since this contract exists between their company and their wholly owned subsidiary. South Beloit Water, Gas and Electric Company, they believe that no opposition or intervention by interested parties will be registered with the Commission which might re-

quire a hearing. WP&L also states that it believes that the information supplied with their letter of September 11, 1974, provided sufficient information for proper evaluation of the Amendment filed to establish that the proposed charge is just and reasonable not unduly discriminatory or preferential and not unlawful. WP&L therefore requested waiver of the above cited sections of the regulations, and also for waiver of the notice requirement, as specified in § 35.13 (b) (5). WP&L also requests that the Amendment be allowed to become effective as of September 15, 1974, as originally requested.

Review of WP&L's filing indicates that good cause exists to grant waiver of §\$ 35.13 (b) (5) and \$5.13 (b) (4) (iii) of the Commission's Regulations. Accordingly, we shall assign a date of October 29, 1974, the date on which WP&L filed the additional data as the filing date in this docket and deny WP&L's request for waiver of the notice requirements of the

Commission's Regulations.

Our review of WF&L's filing and the issues raised therein indicates that the proposed changes have not been shown to be just and reason ble and may be unjust, unreasonable, unduly discriminatory, preferential or otherwise unlawful. Accordingly, we shall suspend the proposed changes for one day and establish hearing procedures to determine the justness and reasonableness of WP&L's filing.

The Commission finds. (1) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Federal Power Act that the Commission enter upon a hearing concerning the lawfulness of the rates and charges contained in WP&L's revised rate schedule proposed in this docket and that the tendered rate schedules be suspended as hereinafter provided.

(2) Good cause exists to grant waiver of §§ 35.13(b) (5) and 35.13(b) (4) (iii) of

the Commission's regulations.

(3) Good cause exists to deny WP&L's request for waiver of the notice requirements of the Commission's regulations.

The Commission orders. (A) WP&L's request for waiver of §§ 35.13(b) (5) and 35.13(b) (4) (iii) is granted.

(B) WP&L's request for waiver of the notice requirements of the Commission's regulations is denied.

(C) Pending a hearing and a decision thereon, WP&L's proposed changes in its rates and charges, tendered on August 7, 1874, are accepted for filing, as of October 29, 1974, and suspended for one day the use thereof deferred until November 29, 1874, subject to refund.

(D) Pursuant to authority of the Federal Power Act, particularly section 205 thereof, and the Commission's rules and regulations (18 CFR, Chapter I), a hearing for purposes of cross-examination concerning the lawfulness and reasonableness of the rates and charges in WP&L's FPC Rate Schedule, as proposed to be amended herein shall be held commencing on April 22, 1975, at 10 a.m.,

e.s.t., in a hearing room of the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426.

(E) On or before February 25, 1975, WP&L shall file their prepared testimony and exhibits. The commission staff shall serve its prepared testimony and exhibits on or before March 11, 1975. Any intervenor evidence shall be filed on or before March 25, 1975; any rebuttal by WP&L shall be served on or before April 8, 1975.

(F) A Presiding Administrative Law Judge to be designated by the Chief Administrative Law Judge for that purpose, (See Delegation of Authority, 18 CFR 3.5(d)), shall preside at the hearing in this proceeding, shall prescribe relevant procedural matters not herein provided, and shall control this proceeding in accordance with the policies expressed in \$2.59 of the Commission's rules of practice and procedure.

(G) Nothing contained herein shall be construed as limiting the rights of parties to this proceeding regarding the convening of conferences or offers of settlement pursuant to § 1.18 of the Commission's rules of practice and procedure.

(H) The Secretary shall cause prompt publication of this order in the Federal

REGISTER.

By the Commission.

[SEAL]

MARY B. KIDD, Acting Secretary.

[FR Doc.74-28447 Filed 12-4-74:8:45 am]

# FEDERAL RESERVE SYSTEM CEDAR VALE BANK HOLDING CO., INC.

Formation of Bank Holding Company
Cedar Vale Bank Holding Company

Cedar Vale Bank Holding Company, Inc., Cedar Vale, Kansas, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through acquisition of all of the voting shares (less directors' qualifying shares) of Cedar Vale State Bank, Cedar Vale, Kansas. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Kansas City. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than December 23, 1974.

Board of Governors of the Federal Reserve System, November 26, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.74-28394 Filed 12-4-74;8:45 am]

## FLORIDA BANKSHARES, INC. Acquisition of Bank

Florida Bankshares, Inc., Hollywood, Florida, has applied for the Board's approval under Section 3(a) (3) of the Bank Holding Company Act (12 U.S.C. 1842(a) (3)) to acquire 100 percent of the voting shares of First National Bank of Miramar, Miramar, Florida. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Atlanta, Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than December 23, 1974.

Board of Governors of the Federal Reserve System, November 26, 1974.

[SEAL] GRIFFITH L. GARWOOD. Assistant Secretary of the Board. [FR Doc.74-28393 Filed 12-4-74;8:45 am]

## GENERAL ACCOUNTING OFFICE REGULATORY REPORTS REVIEW

Receipt of Report Proposals

The following requests for clearance of reports intended for use in collecting information from the public were received by the Regulatory Reports Review Staff, GAO, on November 22, 1974. See 44 U.S.C. 3512 (c) & (d). The purpose of publishing this list in the FEDERAL REG-INTER is to inform the public of such receipt.

The list includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number, if applicable; and the frequency with which the information is proposed to be collected.

Further information about the items on this list may be obtained from the Regulatory Reports Review Officer, 202-376-5425.

INTERSTATE COMMERCE COMMISSION

Request for clearance of a new quarterly reporting and recordkeeping plan under Ex Parte No. 305, Nationwide Increase of Ten Percent in Freight Rates and Charges, 1974. Information concerning receipt and expenditure of the revenue generated by the increases is to be filed by Class I line-haul railroads subject to the authorized ten percent rate increase. Respondent burden is estimated to be 520 man-hours per respondent per response.

NORMAN F. HEYL. Regulatory Reports Review Officer.

[FR Doc.74-28460 Filed 12-4-74;8:45 am]

## NATIONAL ENDOWMENT FOR THE ARTS AND HUMANITIES

FELLOWSHIPS PANEL

**Notice of Meeting** 

NOVEMBER 29, 1974.

Pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92463) notice is hereby given that meetings of the Fellowships Panel will be held at Washington, D.C. on January 3, 7, 9, 11, 15, 17, 21, 23, and 24, 1975.

The purpose of the meetings is to review applications for Fellowships in Residence for College Teachers submitted to the National Endowment for the Humanities for 1975-1976 fellowship grants.

Because the proposed meetings will consider financial information and personnel and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, pursuant to authority granted me by the Chairman's delegation of authority to close advisory committee meetings, dated August 13, 1973, I have determined that the meeting would fall within exemptions (4) and (6) of 5 U.S.C. 552(b) and that it is essential to close the meetings to protect the free exchange of internal views and to avoid interference with operation of the Committee.

It is suggested that those desiring more specific information contact the Advisory Committee Management Officer. Mr. John W. Jordan, 806 15th Street, NW., Washington, D.C. 20506, or call area code 202-382-2031.

> JOHN W. JORDAN. Advisory Committee Management Officer.

[FR Doc.74-28411 Filed 12-4-74;8:45 am]

## OFFICE OF MANAGEMENT AND BUDGET

## CLEARANCE OF REPORTS List of Requests

The following is a list of requests for clearance of reports intended for use in collecting information from the public received by the Office of Management and Budget on December 2, 1974 (44 USC 3509). The purpose of publishing this list in the FEDERAL REGISTER is to inform the public.

The list includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number, if applicable; the frequency with which the information is proposed to be collected; the name of the reviewer or reviewing division within OMB, and an indication of who will be the respondents to the proposed collection.

The symbol (x) identifies proposals which appear to raise no significant issues, and are to be approved after brief. notice through this release.

Further information about the items on this Daily List may be obtained from the Clearance Office, Office of Management and Budget, Washington, D.C. 20503 (202-395-4529), or from the reviewer listed.

NEW FORMS

DEPARTMENT OF AGRICULTURE

Extension Service: An Evaluative Study of the Extension Service's Youth Nutrition Lesson Series, Form \_\_\_\_, Single time, NRD (395-6827) Lowry (395-3772), Participants in EFNEP and control group. Statistical Reporting Service: Pecan Tree Survey (New Mexico), Form \_\_\_, Single time, Lowry (395-3772), Pecan growers.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration: Investigation of Consumers' Perceptions of Patient-Package Inserts for Oral Contraceptives, Form FDA 0321, Single time, Reese (395-5630), Women 18-44 yrs. of age, representing this age group in U.S.

National Institute of Education: Career Planning Support System, Form NIE 84, Occasional, Planchon (395-3898), Govt.

agencies.

High School Counselor Survey, Form NIE 79, Single time, Planchon (395-3898). High school counselors.

Learning Environment Inventory, Form NIE 89, Single time, Planchon (395-3898), Junior high school students.

Departmental: Evaluation of Family Planning Services for Teenagers, Form OS 54-Single time, HRD 395-3532), Collins (395-3756), Lowry (395-3772), Local health depts. Public & private hospitals, Univ.

NATIONAL SCIENCE FOUNDATION

Tunneling Research Facilities-Clarification visits or Phone Calls, Form ...., Single time, Weiner (395-489), Tunnel research facilities.

### REVISIONS

DEPARTMENT OF AGRICULTURE

Statistical Reporting Service: Disposition of Potato Crop and Acreage, Form ---, Annual, Lowry (395-3772), Potato growers.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Alcohol, Drug Abuse, and Mental Health Administration: Inventory of Comprehensive Community Mental Health Centers, Form ADM 25-8, Annual, Collins (395-3756), Federally funded CMHC.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Federal Disaster Assistance Administration: Final Inspection Report, Form HUD 485, Occasional, Lowry (395-3772), Federal/ State Government Inspectors.

#### EXTENSIONS

DEPARTMENT OF COMMERCE

Bureau of Economic Analysis: Schedule of Expeditures for Property, Plant and Equipment of U.S. Direct Investment Abroad for 1973 (Actual) 1974 and 1975 (Projected). Form BE 183C, Annual, Hulett (395-4730). Corporations having foreign affiliates,

ENVIRONMENTAL PROTECTION AGENCY

Sample Request Cards, Form \_\_\_\_, Occasional, Caywood (395-3443), Environmental monitoring agencies.

VETERANS ADMINISTRATION

Escrow Agreement for Postponed Exterior on-Site Improvements, Form 26-1849, Occasional, Evinger (395-3648). Lender, builder and escrow agent.

Certification of Health for RH Cases, Form. FL 29-706, Occasional, Evinger (395-3648), Veterans.

PHILLIP D. LARSEN. Budget and Management Officer. [FR Doc.74-28540 Filed 12-4-74;8:45 am]

# VETERANS ADMINISTRATION STATION COMMITTEE ON EDUCATIONAL ALLOWANCES

**Notice of Meeting** 

Notice is hereby given pursuant to section V. Review procedure and Hearing Rules, Station Committee on Educational Allowances that on December 16, 1974, at 2 p.m., the Veterans Benefits Office Station Committee on Educational Allowances shall at 2033 M St., NW., Room 907, Washington, DC 20421 conduct a hearing to determine whether Veterans Administration benefits to all eligible persons enrolled in Modern School of Music, 3109 Georgia Ave., NW., Washington, DC 20010 should be discontinued. as provided in 38 CFR 21.4134, because a requirement of law is not being met or a provision of the law has been violated. All interested persons shall be permitted to attend, appear before, or file statements with the committee at that time and place.

Dated: December 2, 1974.

DOROTHY L. STARBUCK,
Director,
Veterans Benefits Office.
E. E. Odom, Jr.,
District Counsel,
Veterans Administration.

[FR Doc.74-28427 Filed 12-4-74:8:45 am]

## INTERSTATE COMMERCE COMMISSION

[Second Rev. S.O. No. 1186]

## ALABAMA POWER CO. ET AL.

Distribution of Privately Owned Coal Cars

At a Session of the Interstate Commerce Commission, Railroad Service Board, held at its office in Washington, D.C., on the 25th day of November 1974.

Upon consideration of the petition filed on November 14, 1974, by the Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippl Power Company, and Southern Electric Generating Company requesting that Second Revised Service Order No. 1186 be extended indefinitely.

It appearing, that the petitioner seeks, by requesting an indefinite extension of the service order, to accomplish by the use of the Commission's emergency powers, a permanent change in car distribution practices with respect to the use of privately owned freight cars for the transportation of coal; that such permanent changes can lawfully be accomplished only after hearings and formal determination that the rules prescribed are in accordance with the applicable law; that such a proceeding, identified as Docket No. 12530, is now before the Commission; that the petition states no errors of fact or law warranting the relief sought, and for good cause

It is ordered, That the petition be, and it is hereby, denied.

By the Commission, Railroad Service Board,

[SEAL] ROBERT L. OSWALD, Secretary.

[FR Doc.28465 Filed 12-4-74;8:45 am]

[Notice No. 646]

## ASSIGNMENT OF HEARINGS

DECEMBER 2, 1974.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No amendments will be entertained after the date of this publication.

MC 138144 Sub 4, Fred Olson Co., Inc., now being assigned January 28, 1975 (1 day), at Chicago, Ill., in a hearing room to be later designated.

MC 139790, D & T Trucking Co., Inc., now being assigned January 29, 1975 (1 day), at Chicago, Ill., in a hearing room to be later designated.

MC 139697, Edward Bruce Wagoner, DBA Delight Transportation Company, now being assigned January 30, 1975 (2 days), at Chicago, Ill., in a hearing room to be later designated.

MC 123294 Sub 31, Warsaw Trucking Co., Inc., now being assigned February 3, 1975 (1 day), at Chicago, Ill., in a hearing room to be later designated.

MC 118044 Sub 2, Keeshin Charter Service, Inc., now being assigned February 4, 1975 (2 days), at Chicago, Ill., in a hearing room to be later designated. MC 127550 Sub 2, Bosch Trucking Co.,

MC 127550 Sub 2, Bosch Trucking of Inc., now being assigned February 6, 1975 (2 days), at Chicago, Ill., in a hearing room to be later designated.

MC 124138 Sub 2, Old Lyme-Saybrook Taxi Service, Inc., now being assigned February 19, 1975 (3 days), at Hartford, Conn., in a hearing room to be later designated.

MC 115300 Sub 2, Charles Simmons, Sr., DBA Hilton Head Truck Lines, now being assigned January 20, 1975 (1 week), at Columbia, Sc., in a hearing room to be later designated.

to be later designated.

May Company, Abandonment of Portions of its Line of Railroad Between Tonoloway, Md., and Connellsville, Pa., and Between Ridgely, W. Va., and Dawson, Md., and F. D. 27406, Western Maryland Railway Company, The Baltimore and Ohio Railroad Company, and The Baltimore and Ohio Railroad Company in Pennsylvania—Application for Western Maryland Railway Company to Acquire Track-

age Rights Over the Line of the Baltimore and Ohio Railroad Company and the Baltimore and Ohio Railroad Company in Pennsylvania, Between Cherry Run, W. Va., and Connellsville, Pa., and Between Cumberland, Md., and West Virginia Central Junction, W. Va., now assigned December 17, 1974, at Cumberland, Md., will be held in the Council Chamber, City Hall, N. Center St.

MC 126266 Sub 8, Dudley Boat & Trailer Transportation, Inc., now assigned December 16, 1974, at Olympia, Wash, is postponed indefinitely.

[SEAL] ROBERT L. OSWALD, Secretary.

[FR Doc.74-28470 Filed 12-4-74;8:45 am]

[Rev. Service Order No. 1173; Exception No. 39]

## GREEN BAY AND WESTERN RAILROAD CO.

NOVEMBER 20, 1974.

Pursuant to the authority vested in me by section (a), Paragraph (4) of Revised Service Order No. 1173, the Green Bay and Western Railroad Company is hereby authorized to accept from shipper or shippers, located on their line, BNFE 9271 and BNFE 9319, for transport to destination, regardless of the provisions of Revised Service Order No. 1173.

Effective November 20, 1974.

Expires November 26, 1974.

Issued at Washington, D.C., November 20, 1974.

R. D. PFAHLER, Chairman, Railroad Service Board.

[FR Doc.74-28466 Filed 12-4-74;8:45 am]

## IRREGULAR-ROUTE MOTOR COMMON CARRIERS OF PROPERTY—ELIMINA-TION OF GATEWAY APPLICATIONS

DECEMBER 2, 1974.

The following applications to eliminate gateways for the purpose of reducing highway congestion, alleviating air and noise pollution, minimizing safety hazards, and conserving fuel have been filed with the Interstate Commerce Commission under the Commission's Gateway Elimination Rules (49 CFR 1065(d) (2)), and notice thereof to all interested persons is hereby given as provided in such rules.

Carriers having a genuine interest in an application may file an original and three copies of verified statements in opposition with the Interstate Commerce Commission within 30 days from the date of publication. (This procedure is outlined in the Commission's report and order in Gateway Elimination, 119 M.C.C. 530.) A copy of the verified statement in opposition must also be served upon applicant or its named representative. The verified statement should contain all the evidence upon which protestant relies in the application proceeding, including a

detailed statement of protestant's interest in the proposal. No rebuttal statements will be accepted.

No. MC 2304 (Sub-No. 31G), filed June 4. 1974. Applicant: KAPLAN TRUCKING COMPANY, 2900 Chester Avenue, Cleveland, Ohio 44114. Applicant's representative: John P. McMahon, 100 East Broad Street, Columbus, Ohio 43215. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (A) Iron and steel and iron and steel articles, between points in New York, Pennsylvania, West Virginia, Ohio, those in Monmouth, Morris, Essex, Passaic, Union, Somerset, Middlesex, Hudson, and Bergen Counties, N.J., and those in Kentucky within ten miles of the confluence of the Ohio and Licking Rivers at or near Covington, Ky. The purpose of this filing is to eliminate the gateways at New York, N.Y., Norwood, Ohio, and points in Jefferson and Somerset Counties, Pa. (2) between all points specified in (1) above, on the one hand, and, on the other, points in Indiana, Illinois, St. Louis, and St. Louis County, Mo., and those in Michigan on and south of Michigan Highway 21. The purpose of this filing is to eliminate the gateways at New York, N.Y., Norwood, Ohio, points within 20 miles of Lima, Ohio, points in Jefferson and Somerset Counties, Pa., and East St. Louis, Ill.

(3) From points in Michigan on and south of Michigan Highway 21, to points in Indiana on and north of U.S. Highway 40, Connersville and Evansville, Ind., and Chicago and Peoria, Ill. The purpose of this filing is to eliminate the gateway at Alliance, Ohio. (4) from Chicago, Ill., to points in Michigan on and south of Michigan Highway 21. The purpose of this filing is to eliminate the gateways at Alliance, Ohio and points in Ohio within 20 miles of Lima. (5) between the plantsite of Bethlehem Steel Corporation at Burns Harbor, Porter County, Ind., on the one hand, and, on the other, points in Pennsylvania, New York, New Jersey, those in Kentucky within ten miles of the confluence of the Ohio and Licking Rivers at or near Covington, Ky., and Baltimore, Md., and Wilmington, Del. The purpose of this filing is to eliminate the gateways at points in Ohio for movements to Pennsylvania and New York, Norwood, Ohio, for movements to Kentucky, and points in Ohio and Philadelphia, Pa., for movements to New Jersey,

Baltimore, Md., and Wilmington, Del. (B) Heavy and bulky iron and steel and iron and steel articles requiring specialized handling and equipment, between Wilmington, Del., Baltimore, Md., and points in New Jersey, on the one hand, and, on the other, points in New York, Pennsylvania, West Virginia, Ohio, Indiana, Illinois, those in Monmouth. Morris, Essex, Passaic, Union, Somerset, Middlesex, Hudson, and Bergen Counties, N.J., those in Michigan on and south of Michigan Highway 21, those in Kentucky within ten miles of the confluence of the Ohio and Licking Rivers at or near Covington, Ky., and those in St. Louis and St. Louis Counties, Mo. The purpose of this filing is to eliminate the gateways at New York, N.Y., East St. Louis, Ill., Philadelphia, Pa., Norwood, Ohio, points within 20 miles of Lima, Ohio, and points in Jefferson and Somerset Counties, Pa.

(C) Iron and steel articles from the plantsite of Jones & Laughlin Steel Corporation located in Putman County, Ill., to points in Pennsylvania, West Virginia, New Jersey, New York, those in Kentucky within ten miles of the confluence of the Ohio and Licking Rivers at or near Covington, Ky., Baltimore, Md., and Wilmington, Del. The purpose of this filing is to eliminate the gateways at Norwood, Ohio, for movements to Kentucky; points in Ohio for movements to Pennsylvania, New York, and West Virginia; and Philadelphia, Pa., for movements to New Jersey, Baltimore, Md., and Wilmington, Del.

(D) Iron and steel and iron and steel articles which are materials, equipment and supplies used in the manufacture and processing of iron and steel articles, from points in Pennsylvania, West Virginia, New Jersey, New York, Baltimore, Md., those in Kentucky within ten miles of the confluence of the Ohio and Licking Rivers at or near Covington, Ky., Wilmington, Del., to the plantsite of Jones & Laughlin Steel Corporation located in Putman County, Ill. The purpose of this filing is to eliminate the gateways at points in Ohlo for movements from Pennsylvania, New York, and West Virginia, Norwood, Ohio, for movements from Kentucky, and points in Ohio and Philadelphia, Pa., for movements from New Jersey, Baltimore, Md., and Wilmington, Del.

No. MC 5470 (Sub-No. 90G), filed June 4, 1974. Applicant: TAJON, INC., R.D. #5, Mercer, Pa. 16137. Applicant's representative: Don Cross, 700 World Center Bidg., 918 Sixteenth Street, NW., Washington, D.C. 20006. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Soda ask, in dump vehicles, from Monaca, Pa., and East Liverpool, Ohio, to points in West Virginia. The purpose of this filing is to eliminate the gateway at North Lima, Ohio.

No. MC 46990 (Sub-No. 12G), filed June 4, 1974. Applicant: TRANS COUN-TRY VAN LINES, INC., 3300 Veterans Highway, Bohemia, N.Y. 11716. Applicant's representative: Robert J. Gallagher, 1776 Broadway, New York, N.Y. 10019. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Household goods as defined by the Commission, (1) between points in New York, New Jersey, Pennsylvania, Connecticut, Massachusetts, Rhode Island, Maryland, District of Columbia, Ohio, Indiana, Illinois, Michigan, Delaware, Georgia, Maine, New Hampshire, South Carolina, Vermont, Virginia, Alabama, Florida, Tennessee, and North Carolina; (2) between points in the territories named in (1) above, on the one hand, and, on the other, points in Missouri, Kansas, Arkansas, Texas, Louisiana, Mississippi, Kentucky, and West Virginia; and (3)

between points in the territories named in (1) and (2) above, on the one hand, and, on the other, points in Colorado and Oklahoma. The purpose of this filing is to eliminate the gateways at Philadelphia, Pa., Lafayette, Ala., Laurens, S.C., Kinsley, Kans., points in that part of Pennsylvania east of the Susquehanna River, and points in New York.

No. MC 87103 (Sub-No. 11G), filed June 4, 1974. Applicant: MILLER TRANSFER AND RIGGING COM-PANY, 3917 State Rte. 183, P.O. Box 6077, Akron Ohio 44312. Applicant's representative: A. David Millner, 744 Broad Street, Newark, N.J. 07102. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Heavy machinery, between Greenville and Ebensburg, Pa., and points in Chester County, Pa,, and points in Tuscarawas County. Ohio, on the one hand, and, on the other, points in that part of Michigan east and south of a line beginning at the Michigan-Ohio State line and extending along U.S. Highway 23 to Flint, Mich., thence along Michigan Highway 21 to Port Huron, Mich. The purpose of this filing is to eliminate the gateways at points in Greenville, Pa., and points in that part of Ohio on and east of U.S. Highway 21. (2) Machinery (a) between points in Maryland, on the one hand, and, on the other, points in Cuyahoga County, Ohio. The purpose of this filing is to eliminate the gateway of Ebensburg, Pa. (b) between points in that part of New York on and west of U.S. Highway 62, on the one hand, and, on the other, points in Cuyahoga County, Ohio. The purpose of this filing is to eliminate the gateway of points in Cuyahoga County, Ohio, and points in Pennsylvania west of a line beginning at the Pennsylvania-New York State Line and extending along U.S. Highway 15 to Lemoyne, Pa., thence along Interstate Highway 83 (formerly portion U.S. Highway 111) to junction Pennsylvania Highway 285 (formerly portion U.S. Highway 111), thence along Pennsylvania Highway 295 through Strinestown and Zions View, Pa., to junction unnumbered highway (formerly portion U.S. Highway 111), thence along unnumbered highway to junction Interstate Highway 82 through York, Pa., to junction unnumbered highway (formerly portion U.S. Highway 111), to the Pennsylvania-Maryland State line, including points on the indicated portions of the highways specified.

(3) Hydraulic pressure and shearing machinery which because of size or weight requires the use of special equipment from points in the Chicago, Ill. Commercial Zone as defined by the Commission in MCC-673, to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, Virginia, and the District of Columbia. The purpose of this filling is to eliminate the gateway at Mt. Carmel, Ill. (4) Hydraulic pressure and shearing

machinery used in the drilling of water wells or used in the construction, development, and production of natural gas and petroleum, from points in that part of Indiana on and south of U.S. Highway 40, points in that part of Illinois on and south of U.S. Highway 24 and points in that part of Kentucky on and west of U.S. Highway 31W, extending from the Kentucky-Indiana State line to junction U.S. Highway 68, and on and north of a line beginning at the junction of U.S. Highway 31W and 68 and extending along U.S. Highway 68 to junction U.S. Highway 60, and thence along U.S. Highway 60 to the Kentucky-Missouri State line, to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, Virginia, and the District of Columbia. The purpose of this filing is to eliminate the gateway at Mt. Carmel, Ill.

No. MC 87103 (Sub-No. 12-G), filed 4, 1974. Applicant: MILLER TRANSFER AND RIGGING COMPANY, P.O. Box 6077, Akron, Ohio 44312. Applicant's representative: A. David Millner, 744 Broad Street, Newark, N.J. 07102. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Machinery and contractors equipment and supplies which because of size or weight require special equipment, (1) between points in Ohio, New York, and West Virgina, on the one hand, and, on the other, points in Illinois and Indiana; (2) between points in Ohio, on the one hand, and, on the other, points in West Virginia and New York; and (3) between points in New York, on the one hand, and, on the other, points in West Virginia; (1), (2) and (3) above, restricted against providing service to and from the plant site of Elliott Company Division of Carrier Corporation, Jeanette, Pa. The purpose of this filing is to eliminate the gateway at Clarion, Pa.

No. MC 98952 (Sub-No. 30G), filed June 7, 1974. Applicant: GENERAL TRANSFER COMPANY, 2880 North Woodford Street, Decatur, Ill. 62526. Applicant's Kirkwood representative: Yockey, Suite 300 Union Federal Building, Indianapolis, Ind. 46204. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Meats, packinghouse products, and commodities used by packinghouses, as described in Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766 (except liquid commodities, in bulk, in tank vehicles), (a) between points in Illinois, on the one hand, and, on the other, Paducah, Owensboro, and Henderson, Ky., and points within five miles of each point, and points in Bartholomew, Benton, Boone, Brown, Carroll, Cass, Clay, Clinton, Daviess, Delaware, Dubois, Fayette, Fountain, Gibson, Grant, Greene, Hamilton, Hancock, Hendricks, Henry, Howard, Jasper, Johnson, Knox, Lawrence, Madison, Marion, Martin, Miami, Monroe, Montgomery, Morgan, New-

ton, Owen, Parke, Pike, Posey, Pulaski, Putnam, Randolph, Rush, Shelby, Spen-cer, Sullivan, Tippecanoe, Tipton, Vanderburgh, Vermillion, Vigo, Warrick, Warren, Wayne, and White Counties, Ind., restricted to shipments moving at the same time and in the same vehicles with meat, meat products, meat by-products or articles distributed by meat packinghouses; and (b) from points in Illinois, to St. Louis, Mo., and points in St. Louis, St. Charles, Lincoln, Warren, Franklin, Jef-ferson, Crawford, Washington, St. Francois, Ste. Genevieve, Perry, Dent, Reynolds, Iron, Madison, Bollinger, Cape Girardeau, Wayne, Butler, Pemiscot, Stoddard, Scott, Dunklin, New Madrid, and Mississippi Counties, Mo.; (2) Meats, meat products, and meat by-products, dairy products, articles distributed by meat packinghouses, and such commodities as are used by meat packers in the conduct of their business when destined to and for use by meat packers, as described in Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), in vehicles equipped with mechanical refrigeration, from Columbus Junction, Iowa, to St. Louis, Mo., and points in St. Louis, St. Charles, Lincoln, Warren, Franklin, Jefferson, Crawford, Washington, St. Francois, Ste. Genevieve, Perry, Dent,. Reynolds, Iron, Madison, Bollinger, Cape Girardeau, Wayne, Butler, Pemiscot, Stoddard, Scott, Dunklin, New Madrid, and Mississippi Counties, Mo., Paducah, Owensboro, and Henderson, Ky., and points within five miles of each point, and points in Bartholomew, Benton, Boone, Brown, Carroll, Cass, Clay, Clinton, Delaware, Dubois, Fayette. Fountain, Gibson, Grant, Greene, Hamilton, Hancock, Hendricks, Henry, Howard, Jasper, Johnson, Knox, Lawrence, Madison, Marion, Martin, Miami, Monroe, Montgomery, Morgan, Newton, Owen, Parke, Pike, Posey, Pulaski, Putman, Randolph, Rush, Shelby, Spencer, Sullivan, Tippecanoe, Tipton, Vanderburgh, Vermillion, Vigo, Warrick, Warren, Wayne, and White Counties, Ind.; restricted that the authority named in (2) above may not be tacked or joined at Columbus Junction, Iowa, with any other authority for the performance of a through service and further restricted in (2) above against the interchange of traffic at Columbus Junction, Iowa; and (3) Groceries, from St. Louis, Mo., to Paducah, Henderson, and Owensboro, Ky., and points in that part of Indiana on and south of U.S. Highway 36, restricted to shipments moving at the same time and in the same vehicle with confectioneries. The purpose of this filing is to eliminate the gateway at Decatur.

No. MC 102298 (Sub-No. 17G), (Correction), filed June 4, 1974, published in the Federal Recesser November 19, 1974. Applicant: STAR VAN LINES, INC., 11 Metz Road, Sand City, Calif. 93955. Applicant's representative: Barbara J. Allen, P.O. Box 669, Pacific Grove, Calif. Authority sought to operate as a com-

mon carrier, by motor vehicle, over irregular routes, transporting: Household goods, (1) between points in Alabama, Tennessee, Mississippi, Louisiana, Ar-kansas, Missouri, Texas, Oklahoma, New Mexico, Colorado, Nebraska, Kansas, Wyoming, South Dakota, Minnesota, Wisconsin, Iowa, Illinois, Indiana, Michigan, Ohio, and Kentucky, on the one hand, and, on the other, points in Florida, Georgia, South Carolina, North Carolina, Virginia, West Virginia, Maryland, Delaware, Pennsylvania, New Jersey, New York, Connecticut, Rhode Island, Massachusetts, Vermont, New Hampshire, Maine, and the District of Columbia. The purpose of this filing is to eliminate the gateways at Colorado, Illinois, Iowa, Maryland, Massachusetts, Missouri, New York, and Texas. (2) Between points in New Mexico, Oklahoma, Texas, Arkanas, Tennessee, Louisiana, Mississippi, and Alabama, on the one hand, and, on the other, points in Colorado, Wyoming, Nebraska, Kansas, South Dakota, Minnesota, Iowa, Missouri, Illinois, Wisconsin, Michigan, Indiana, Kentucky, and Ohio. The purpose of this filing is to eliminate the gateways at Colorado, Illinois, Iowa, Maryland, Missouri, New York, Texas, and Virginia. (3) Between points in Florida, Georgia, South Carolina, North Carolina, on the one hand, and, on the other, points in Virginia, Maryland, Delaware, West Virginia, Pennsylvania, New Jersey, New York, Connecticut, Rhode Island, Massachusetts, Vermont, New Hampshire. Maine, and the District of Columbia. The purpose of this filing is to eliminate the gateways at Maryland and New York. (4) Between points in Missouri, Iowa, Minnesota, South Dakota, Nebraska, Kansas, Colorado, and Wyoming, on the one hand, and, on the other, points in Wisconsin, Illinois, Kentucky, Indiana, Michigan, and Ohio. The purpose of this filing is to eliminate the gateways at Colorado, Illinois, Iowa, Maryland, Missouri, New York, Texas, and Virginia. (5) Between points in New Mexico, Oklahoma, and Texas, on the one hand, and, on the other, points in Arkansas, Tennessee, Alabama, Mississippi, and Louisiana. The purpose of this filing is to eliminate the gateways at Illinois, Iowa, Missouri, and Texas, The purpose of this correction is to correct the sub number previously published as 170.

No. MC 107515 (Sub-No. 903G), filed June 4, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., 3901 Jonesboro Road, Forest Park, Ga. 30050. Applicant's representative: Alan E. Serby, 3379 Peachtree Rd. NE., Suite 375, Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen foods, in vehicles equipped with mechanical refrigeration, from points in Louisiana, Mississippi, Alabama, Georgia, Florida, North Carolina, South Carolina, and Tennessee (except McMinrville, Tenn., and points in Davidson County, Tenn., formerly known as the City of Nashville), and points in

Tennessee within their commercial zones, to points in Ohio, West Virginia, Virginia, Maryland, Delaware, Pennsylvania, New Jersey, New York, Massachusetts, Connecticut, and Rhode Island. The purpose of this filing is to eliminate the gateways at Florence, Ala., New Orleans and Chalmette, La., Ayden, Charlotte, and Rocky Mount, N.C., and points in Georgia.

No. MC 107515 (Sub-No. 910-G), filed June 4, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., 3901 Jonesboro Road, Forest Park, Ga. 30050. Applicant's representative: Alan E. Serby, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes transporting: Frozen joods, from points in Louisiana, Mississippi, Alabama, Georgia, Florida, North Carolina, South Carolina, and Tennessee (except Nashville and Mc-Minnville), to points in Arkansas, Oklahoma, Texas, Missouri, Iowa, Minnesota, Nebraska, Wisconsin, Illinois, Indiana, Ohio, Kentucky, and Michigan. The purpose of this filing is to eliminate the gateways at Gainsville, Ga., Florence, Ala., and Tifton, Ga.

No. MC 116273 (Sub-No. 177-G), filed June 3, 1974. Applicant: D & I. TRANS-PORT, INC., 3800 South Laramie Avenue, Cicero, Ill. 60650. Applicant's representative: William R. Lavery (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Liquid chemicals, in bulk, in tank vehicles, (1) from Frankfort, Ill., to points in Connecticut, Massachusetts, New Jersey, and New York; (2) from Chicago, Ill., to points in Florida, New Jersey, and New York; and (3) from Lemont, Ill., to points in New Jersey and Pennsylvania. The purpose of this filling is to eliminate the gateway at Jamesville, Wis.

No. MC 117823 (Sub-No. 46G), filed June 3, 1974. Applicant: DUNKLEY RE-FRIGERATED TRANSPORT, INC., 1915 South 900 West, Salt Lake City, Utah 84104. Applicant's representative: Lon Rodney Kump, 200 Law Building, 333 East Fourth South, Salt Lake City, Utah 84111. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen foods and foodstuffs in mechanically refrigerated vehicles, from points in California, Idaho, Oregon, Utah, and Sparks, Nev. and Thayne, Wyo., to points in Arizona, California, Colorado, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming. The purpose of this filing is to eliminate the gateways at Sparks, Nev., points in Oregon and Utah, and points in Idaho south of the southern boundary in Idaho County.

The following letter-notices of proposais to eliminate gateways for the purpose of reducing highway congestion, alleviating air and noise pollution, minimizing safety hazards, and conserving fuel have been filed with the Interstate Commerce Commission under the Commission's Gateway Elimination Rules (49 CFR 1065(a)), and notice thereof to all interested persons is hereby given as provided in such rules.

An original and two copies of protests against the proposed elimination of any gateway herein described may be filed with the Interstate Commerce Commission within 10 days from the date of this publication. A copy must also be served upon applicant or its representative. Protests against the elimination of a gateway will not operate to stay commencement of the proposed operation.

Successively filed letter-notices of the same carrier under these rules will be numbered consecutively for convenience in identification. Protests, if any, must refer to such letter-notices by number.

No. MC 83539 (Sub-No. E20), filed May 24, 1974. Applicant: C & H TRANS-PORTATION CO., INC., P.O. Box 5976, Dallas, Tex. 75222. Applicant's representative: Kenneth Weeks (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Commodities, the transportation of which, because of size or weight, requires the use of special equipment and related machinery parts and related contractors' materials and supplies when their transportation is incidental to the transportation by the carrier of commodities which, because of size or weight, require the use of special equipment; and (2) Self-propelled articles, each weighing 15,000 pounds or more, and related machinery, tools, parts, and supplies moving in connection therewith, restricted to commodities which are transported on trailers, between points in Oklahoma (except points in Choctaw, McCurtain, Pushmataha, and Le Flore Counties), on the one hand, and, on the other, points in Missouri (except points in Pemiscot, Dunklin, New Madrid, Butler, Stoddard, Scott, and Mississippi Counties), Restriction: Carrier shall not transport (1) any shipment which originates at St. Louis or Kansas City, Mo., and which is destined to any points in Missouri, Kansas, or Iowa, or (2) any shipment which originates at any points in Missouri, Kansas, or Iowa, and which is destined to St. Louis and Kansas City. The purpose of this filing is to eliminate the gateway of points in Kansas.

No. MC 83539 (Sub-No. E21), filed May 17, 1974. Applicant: C & H TRANS-PORTATION CO., INC., P.O. Box 5976, Dallas, Tex. 75222. Applicant's representative: Wiley C. Willingham (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Plastic pipe (except those requiring the use of special equipment because of size or weight, and except those items described in Mercer Extension-Odifield Commodities, 74 M.C.C. 459), from Tucson, Ariz, to points in Alabama, Arkansas, Counecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Massachusetts, Michigan, Mississippl, New Hampshire, New Jersey, New York, North Carolina,

Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin. The purpose of this filing is to eliminate the gateways of Tyler and Swan, Tex.

No. MC 88368 (Sub-No. E61), filed May 15, 1974. Applicant: CARTWRIGHT VAN LINES, INC., P.O. Box 39, Grand View, Missouri. Applicant's representative: Theodore Polydoroff, 1250 Connecticut Avenue NW., Washington, D.C. 20036. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Household goods, as defined by the Commission. (1) from points in Kansas to points in Idaho on and west and north of a line from the Idaho-Nevada State line along U.S. Highway 93 to Shoshone, thence along Alternate U.S. Highway 93 to Carey, thence along U.S. Highway 20 to Idaho Falls, thence along U.S. Highway 26 to the junction of Wyoming Highway 31, thence along Wyoming Highway 31 to the Idaho-Wyoming State line (points in Colorado and points in Montana within 125 miles of Butte, Mont.) \*, (2) from points in Kansas in, north, and west of Cowley, Butler, Greenwood, Coffee, Franklin, and Johnson Counties to points in Kentucky in and east of Jefferson, Bullet, Hardin, Larve, Taylor, Casey, Puloski, Laurel, and Whitley Counties Bloomington, Ill., and points within 25 miles thereof)\*, (3) from points in Kansas to Harlan, Ky., and points within 5 miles thereof (points in Indiana) \*, (4) from points in Kansas to points in Harlan County, Ky. (except points within 5 miles of Harlan, Ky., including Harlan) (points in Indiana)\*, (5) from points in Kansas to points in Louisiana (Hugo, Okla., points in Cherokee County, Tex., or points in Cowley County, Kans.) \* (6) from points in Kansas to points in Maryland in and south and east of Baltimore, Anne Arundel and Prince Georges Counties (Bloomington, Ill., and points within 25 miles thereof, points in Jefferson County, Ohio, and Philadelphia, Pa.) \*, (7) from points in and east and south of Sumner, Sedgewick, Reno, McPhearson, Marion, Chase, Lyon, Cof-fee, Anderson, and Linn Counties to points in Nebraska on and west of U.S. Highway 81 (Newton, Kans., and points within 15 miles thereof) \*,

(8) From points in and east of Republie, Cloud, Ottawa, Saline, McPhearson, Harvey, Sedgwick, and Sumner Counties, Kans., to points in New Mexico in and south of McKinley, Sandoval, Santa Fe. Torrence, Lincoln, De Baca, Roosevelt, and Curry Counties (points in Canadian County, Okla.) , (9) from points in Kansas to points in New York on and east of a line from the New York-Pennsylvania State line along New York Highway 26 to Endicott, thence along U.S. Highway 17 to Binghamton, thence along New York Highway 13 to Utica, thence along New York Highway 28 to the junction of New York Highway 30, thence along New York Highway 30 to the United States-Canadian International Boundary line (Bloomington, III., and points within 25 miles thereof, points

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in Jefferson County, Ohio, and Philadelphia, Pa.) \*, (10) from points in and east of Nemaha, Pottawatomie, Riley, Geary, Norris, Marion, Harvey, Sedgwick, and Sumner Counties, Kans., to points in South Dakota in and east of Gregory, Brule, Lyman, Stanley, Dewey, and Carson Counties (Harlan, Iowa, and points within 15 miles thereof) \*, (11) from points in Kansas to points in Texas in and south of Yoakum, Terry, Lubbock. Crosby, Pickens, King, Foard, and Wilbarger Counties (Hollis, Okla., or points in Cowley County, Kans.) \*, (12) from points in Kansas on and east of U.S. Highway 183 to points in Texas (Arnett, Okla, or points in Cowley County, Kans.)\*, (13) from points in Kansas in. north, and west of Cowley, Butler, Greenwood. Coffee, Anderson, and Miami Counties to points in West Virginia on and east of a line from the West Virginia-Virginia State line along U.S. Highway 21 to Pocatelico, thence along Interstate Highway 77 to the junction of West Virginia Highway 14, thence along West Virginia Highway 14 to Parkersburg, W. Va. (points in Mississippi, Florence, Sheffield, or Tuscumbia, Ala., points in Harlan County, Ky., Bloomington, Ill., and points within 25 miles thereof and points in Jefferson County, Ohio) \*. The purpose of this filing is to eliminate the gateways marked with asterisks above.

No. MC 107515 (Sub-No. E423), filed May 29, 1974. Applicant: REFRIG-ERATED TRANSPORT CO., INC., P.O. Buz 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell. Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Icing paste, in vehicles equipped with mechanical refrigeration, from Atlanta, Ga., to points in that part of Virginia on and east of U.S. Highway 21. The purpose of this filing is to eliminate the gateway of the plant site of Family Foods, Inc., at Charlotte, N.C.

No. MC 107515 (Sub-No. E424), filed May 20, 1974. Applicant: REFRIGARTED TRANSPORT CO., INC., P.O. Box 368, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Sube 375, 3379 Peachtree Rd. NE., Allanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, oper irregular routes, transporting: Salada, in vehicles equipped with mechanical refrigeration, from Atlanta, Ga. to points in that part of Virginia on and east of U.S. Highway 21. The purpose of this filing is to eliminate the sateway of the plant site of Family Foods, Inc., at Charlotte, N.C.

No. MC 107515 (Sub-No. E425), filed May 23, 1974. Applicant: REFRICER-ATED TRANSPORT CO., INC., P.O. Box 303. Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 315, 3379 Peachtree Rd. NE., Atlanta, Ga. 33326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting:

Citrus products, not canned and not frozen, in vehicles equipped with mechanical refrigeration, from Decatur, Ga., to points in that part of Virginia on and east of U.S. Highway 21. The purpose of this filing is to eliminate the gateway of the plant site of Family Foods at Charlotte, N.C.

No. MC 107515 (Sub-No. E426), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. BOX 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Meats, meat products, and meat by-products, as described in Section A of Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles and hides), from Allen Township (Hillsdale County), Mich., to points in Arkansas, Texas, and that part of Oklahoma on and south of a line beginning at the Oklahoma-Arkansas State line, thence along Oklahoma Highway 33 to junction U.S. Highway 75, thence along U.S. Highway 75 to junction Oklahoma Highway 20, thence along Oklahoma Highway 18 to junction U.S. Highway 60, thence along U.S. Highway 60 to junction Interstate Highway 35, thence along Interstate Highway 35 to the Oklahoma-Kansas State line. The purpose of this filing is to eliminate the gateway of Adairsville, Ky.

No. MC 107515 (Sub-No. E427), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Unfrozen cooked bakery products, in vehicles equipped with mechanical refrigeration, from Battle Creek, Mich., to points in Louisiana, Mississippi, and Tennessee, and that part of Missouri on and south of a line beginning at the Missouri-Illinois State line, thence along Missouri Highway 32 to junction Missouri Highway 64, thence along Missouri Highway 64 to junction U.S. Highway 54, thence along U.S. Highway 54 to the Missouri-Kansas State line. The purpose of this filling is to eliminate the gateway of the plant site of Food Specialties of Kentucky, at Jefferson County, Ky.

No. MC 107515 (Sub-No. E428), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 375, 3379 Peachiree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Meats, meat products, and meat by-products, as described in Section A of Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 (except

cles), in vehicles equipped with mechanical refrigeration (except canned goods not requiring refrigeration), from that part of Michigan on and east of a line beginning at Saginaw Bay, thence along Interstate Highway 75 to junction U.S. Highway 46, thence along U.S. Highway 46 to junction U.S. Highway 52, thence along U.S. Highway 52, to junction U.S. Highway 78, thence along U.S. Highway 78 to junction U.S. Highway 127, thence along U.S. Highway 127 to the Michigan-Ohio State line, to points in that part of Texas on and south of a line beginning at the Texas-Louisiana State line, thence along U.S. Highway 10 to junction U.S. Highway 59, thence along U.S. Highway 59 to the International Boundary line between the United States and Mexico. The purpose of this filing is to eliminate the gateway of (1) Columbus, Ohio, and (2) Montgomery,

No. MC 107515 (Sub-No. E432), filed May 29, 1974. Applicant: REFRIG-ERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen foods, the commodities classified (a) as meats, meat products, and meat by-products, (b) as dairy products, and (c) as articles distributed by meat packinghouses, in the Appendix to the report in Modification of Permits-Packing House Products, 46 M.C.C. 23. 48 M.C.C. 628, in vehicles equipped for mechanical refrigeration (except canned goods not requiring refrigeration). from points in the Lower Peninsula of Michigan, to points in Alabama, Georgia, North Carolina, and South Carolina. The purpose of this filing is to eliminate the gateway of Columbus, Ohio.

No. MC 107515 (Sub-No. E433), filed May 29, 1974. Applicant: REFRIGERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 375, 3379 Peachtree Rd. NE. Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen foods, from points in the Lower Peninsula of Michigan to points in Florida. The purpose of this filing is to eliminate the gateway of Columbus, Ohio.

No. MC 107515 (Sub-No. E434), filed May 29, 1974. Applicant: REFRIGERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Fresh and cured meats, and such commodities as are classified as Dairy products in the Appendix to the

report in Modification of Permits-Packing House Products, 46 M.C.C. 23, from points in the Lower Peninsula of Michigan to points in Florida. The purpose of this filing is to eliminate the gateways of (1) Columbus, Ohio, and (2) Atlanta, Ga.

No. MC 107515 (Sub-No. E436), filed May 29, 1974. Applicant: REFRIGERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 36326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Such commodities as are classified as Dairy Products in the Appendix to the report in Modification of Permits-Packing House Products, 46 M.C.C. 23, from Sabetha, Kans., to points in North Carolina and South Carolina. The purpose of this filing is to eliminate the gateway of Atlanta, Ga.

No. MC 107515 (Sub-No. E437), filed May 29, 1974. Applicant: REFRIG-ERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 375, 3379 Peachtree Rd. NE... Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen vegetables, from points in the Kansas City, Mo.-Kansas City, Kans., commercial zone, as defined by the Commission, to the District of Columbia, points in Connecticut, Delaware, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, and Rhode Island. The purpose of this filing is to eliminate the gateways of (1) any point in Illinois, and (2) Mendon, Mich.

No. MC 107515 (Sub-No. E438), filed May 29, 1974. Applicant: REFRIGERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 375, 3379 Feachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen vegetables, from points in the Kansas City, Mo.-Kansas City, Kans., commercial zone, as defined by the Commission, to points in the Lower Peninsula of Michigan. The purpose of this filing is to eliminate the gateway of any point in Illinois.

No. MC 107515 (Sub-No. E443), filed May 29, 1974. Applicant: REFFRIGERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettle-baum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Fresh and cured meats, from Kansas City, Mo., to that part of Florida on and east of U.S. Highway 331. The purpose of this filing is to eliminate the gateway of Atlanta, Ga.

No. MC 107515 (Sub-No. E444), filed May 29, 1974. Applicant: REFRIG- ERATED TRANSPORT CO., INC., P.O. Box 303, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Meats, meat products, and meat by-products, from the plant site of Iowa Beef Packers at Emporia, Kans., to New York, Syracuse, Rochester, and Buffalo, N.Y., and points in Connecticut, Rhode Island, Massachusetts, and Hudson and Essex Counties, N.J. The purpose of this filing is to eliminate the gateway of Detroit, Mich.

No. MC 107515 (Sub-No. E445), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Fresh and cured meats (except commodities in bulk), from Chino, Calif., to Albany, Atlanta, Columbus, Griffin, Macon, and Monteauma, Ga. The purpose of this filing is to eliminate the gateway of Pensacola, Fla.

No. MC 107515 (Sub-No. E446), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: Bruce E. Mitchell, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Fresh and cured meats, from Chino, Calif., to points in Virginia, The purpose of this filing is to eliminate the gateways of (1) Pensacola, Fla., (2) Macon, Ga., and (3) the plant site of Ambrosia, Chocolate Co., Inc., a Division of W. R. Grace and Co., at Charlotte, N.C.

No. MC 107515 (Sub-No. E448), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen bakery products, in vehicles equipped with mechanical refrigeration, from the District of Columbia, to points in Minnesota, Iowa, Illinois, and Missouri, restricted to traffic originating at the District of Columbia. The purpose of this filing is to eliminate the gateway of the plant site of Food Specialties of Kentucky, at Jefferson County, Ky.

No. MC 107515 (Sub-No. E449), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum. Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen bakery products, from the District of Columbia to points in Nevada, Idaho, Columbia to points in Nevada, Idaho,

and Utah, restricted to traffic originating at the District of Columbia. The purpose of this filing is to eliminate the gateway of Gainesville, Ga.

No. MC 107515 (Sub-No. E450), filed May 29, 1974. Applicant: REFRIGERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen bakery products, from the District of Columbia to points in Nebraska, Arkansas, Oklahoma, and Texas, restricted to traffic originating at the District of Columbia. The purpose of this filling is to eliminate the gateway of Gainesville, Ga.

No. MC 107515 (Sub-No. E452), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. BOX 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Meats, meat products, and meat by-products, as described in Section A of Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766 (except skins), from Bonne Terre, Mo., to the District of Columbia, and to points in that part of Connecticut, Delaware, Massachusetts, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Maryland, West Virginia, and that part of the Lower Peninsula of Michigan on and east of a line beginning at the Michigan-Ohio State line, thence along U.S. Highway 23 to junction Interstate Highway 94, thence along Interstate Highway 94 to junction U.S. Highway 127, thence along U.S. Highway 127 to Lansing, thence along U.S. Highway 27 to junction Interstate Highway 75, thence along Interstate Highway 75 to the International Boundary line between the United States and Canada. The purpose of this filing is to eliminate the gateway of the plant site of Food Specialties of Kentucky, at Jefferson County, Ky.

No. MC 107515 (Sub-No. E453), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. BOX 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen foods, (1) from Carrollton, Milan, Marshall, Macon, and Moberly, Mo., to points in that part of North Carolina on and east of a line beginning at the North Carolina-Virginia State line, thence along North Carolina Highway 86 to junction U.S. Highway 15, thence along U.S. Highway 15 to junction Interstate Highway 95, thence along Interstate Highway 95 to the North Carolina-South Carolina State line, and (2) from Milan, Mo., to points in that part of South Carolina on and east of a line beginning at the North Carolina-South Carolina State line, thence along Interstate Highway 95

to junction Interstate Highway 26, thence along Interstate Highway 26 to the Atlantic Ocean. The purpose of this filing is to eliminate the gateway of Richmond, Va.

No. MC 107515 (Sub-No. E459), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen toods, from Ponchatoula, La., to the District of Columbia and to points in Connecticut. Maryland. Maine, New Jersey. that part of Virginia on and east of Interstate Highway 81, that part of Pennsylvania on and east of a line beginning at the Pennsylvania-West Virginia State line, thence along U.S. Highway 119 to junction Interstate Highway 76, thence along Interstate Highway 76 to junction Interstate Highway 79, thence along Interstate Highway 79 to Lake Erie, and that part of New York on and east of Interstate Highway 81. The purpose of this filing is to eliminate the gateway of Ayden, N.C.

No. MC 197515 (Sub-No. E460), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308. Forest Park, Ga. 33050. Applicant's representative: R. M. Tetttlebaum, Suite 375. 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen foods, in vehicles equipped with mechanleal refrigeration, from Lafayette, La., to points in Virginia, and that part of Tennessee on and west of Interstate Highway 75, and those Commercial Zones. The purpose of this filing is to eliminate the gateway of the plant site of Family Foods, at Charlotte, N.C.

No. MC 107515 (Sub-No. E461), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050, Applicant's representative: Alan E. Serby, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Fresh and cured meats and diary products as classified in the Appendix to the report in Modification of Permits—Packing House Products, 46 M.C.C. 23, between points in Louisiana, on the one hand, and, on the other, points in that part of Florida on and east of a line beginning at the Gulf of Mexico thence along Florida Highway 24 to junction U.S. Highway 301, thence along U.S. Highway 301 to the Georgia-Florida State line. The purpose of this filing is to eliminate the gateway of any point that is both within 5 miles of Montezuma, Ga., and within the Montezuma Commercial Zone, as defined by the Commission (except Montezuma).

No. MC 107515 (Sub-No. E462), filed May 29, 1974, Applicant; REFRIGER-

ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050, Applicant's representative: Alan E. Serby, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Fresh and cured meats and dairy products, as described in the Appendix to the report in Modification of Permits-Packing House Products, 46 M.C.C. 23, from points in that part of Louisiana on and north of a line beginning at the Texas-Louisiana State line, thence along Louisiana Highway 8 to Leesville, thence along Louisiana Highway 28 to junction U.S. Highway 84, thence along U.S. Highway 84 to the Louisiana-Mississippi State line, to that part of Florida on and east of U.S. Highway 319. The purpose of this filing is to eliminate the gateway of any point that is both within 5 miles of Montezuma, Ga., and within the Montezuma Commercial Zone, as defined by the Commission, (except Montezuma).

No. MC 107515 (Sub-No. E464), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT, CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Yeast and yeast products, in vehicles equipped with mechanical refrigeration, from Belle Chasse, La., to points in Virginia. The purpose of this filing is to eliminate the gateway of the plant site of Family Foods, Inc., at Charlotte, N.C.

No. MC 107515 (Sub-No. E465), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen edible meat and edible meat products, in vehicles equipped with mechanical refrigeration (except commodities in bulk, in tank vehicles), from New Orleans, La., to the District of Columbia, and to points in Connecticut, Delaware, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia, restricted against the transportation of traffic originating at Shreveport and Springhill, La., and at points in Texas. The purpose of this filing is to eliminate the gateway of Booneville, Miss.

No. MC 107515 (Sub-No. E466), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen foods, from New Orleans, La., to points in West Virginia, Nevada, Idaho, and that part of Utah on and west of a line

beginning at the Utah-Arizona State line, thence along U.S. Highway 163 to junction Interstate Highway 70, thence along Interstate Highway 70 to junction U.S. Highway 6/50, thence along U.S. Highway 6/50 to junction Interstate Highway 15, thence along Interstate Highway 15 to junction U.S. Highway 191, thence along U.S. Highway 191 to the Utah-Idaho State line. The purpose of this filing is to eliminate the gateway of Florence, Ala.

No. MC 107515 (Sub-No. E467), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen foods, from New Orleans, La., to points in Nebraska, Ohio, Kentucky, and Michigan. The purpose of this filing is to eliminate the gateway of Florence, Ala.

No. MC 107515 (Sub-No. E468), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC. P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Bananas, from New Orleans, La., to points in North Carolina and South Carolina. The purpose of this filing is to eliminate the gateway of Atlanta, Ga.

No. MC 107515 (Sub-No. E471), filed May 29, 1974. Applicant: REFRIGER-ATED TRANSPORT CO., INC. P.O. Box 308, Forest Park, Ga. 33050. Applicant's representative: R. M. Tettlebaum, Suite 375, 3379 Peachtree Rd. NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen Joods, in vehicles equipped with mechanical refrigeration, from Ponchatoula, La., to points in Connecticut, Delaware, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, and Maryland. The purpose of this filing is to eliminate the gateway of the plant site of Food Specialties of Kentucky, at Jefferson County, Ky.

No. MC 108207 (Sub-No. E42), filed May 31, 1974. Applicant: FROZEN FOOD EXPRESS, INC., P.O. Box 5888, Dallas, Tex. 75222. Applicant's representative: Mike Smith (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Foods, from Evansville, Ind., to points in New Mexico. Arizona, and California; (2) Dairy products, fresh, salted, cooked, cured, and preserved meats, game, poultry, rabbits, sausage, from Indianapolis, Ind., to points in New Mexico, Arizona, and California; and (3) Pizza crust and frozen pizza pie, from Syracuse, Ind., to points in New Mexico, Arizona, and California. The purpose of this filing is to eliminate the gateway of points in Texas.

No. MC 108207 (Sub-No. E43), filed May 31, 1974. Applicant: FROZEN FOOD EXPRESS, INC., P.O. BOX 5888, Dallas, Tex. 75222. Applicant's representative: Mike Smith (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Candy, from points in Arizona, New Mexico, and California, to Memphis, Tenn. The purpose of this filing is to eliminate the gateways of points in Texas.

No. MC 108207 (Sub-No, E44), filed May 31, 1974. Applicant: FROZEN FOOD EXPRESS, INC., P.O. Box 5888, Dallas, Tex. 75222. Applicant's representative: Mike Smith (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Candy, from Memphis, Tenn., to points in New Mexico, Arizona, and California. The purpose of this filing is to eliminate the gateway of points in Texas.

No. MC 108207 (Sub-No. E45), filed May 31, 1974. Applicant: FROZEN FOOD EXPRESS, INC., P.O. Box 5888, Dallas, Tex. 75222. Applicant's representative: Mike Smith (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Grape juice (frozen and unfrozen), jums, jellies, and preserves, from Lawton, Mich., to points in Arizona, New Mexico, and California; and (2) foodstuffs, from Springdale, Ark., to points in Arizona, New Mexico, and California. The purpose of this filing is to eliminate the gateways of points in Texas.

No. MC 108207 (Sub-No. E46), filed May 31, 1974. Applicant: FROZEN FOOD EXPRESS, INC., P.O. Box 5888, Dallas, Tex. 75222. Applicant's representative: Mike Smith (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Table sauces, prepared jellies, and peanut butter, from New Orleans, La., to points in New Mexico, Arizona, and California. The purpose of this filing is to eliminate the gateways of points in Texas.

No. MC 108207 (Sub-No. E47), filed May 31, 1974. Applicant: FROZEN FOOD EXPRESS, INC., P.O. Box 5888, Dallas, Tex. 75222. Applicant's representative: Mike Smith (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Bananas, from Houston, Tex., to points in Indiana, Ohlo, Michigan, and Tennessee. The purpose of this filling is to eliminate the gateway of Galveston, Tex.

No. MC 108207 (Sub-No. E48), filed May 31, 1974. Applicant: FROZEN FOOD EXPRESS, INC., P.O. BOX 5888, Dallas, Tex. 75222. Applicant's representative: Mike Smith (same as above), Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Bananas, from New Orleans, La., to points in Nebraska and Minnesota. The purpose of this filing is

to eliminate the gateway of Houston, Tex.

No. MC 108207 (Sub-No. E71), filed May 31, 1974. Applicant: FROZEN FOOD EXPRESS, INC., P.O. Box 5888, Dallas, Tex., 75222. Applicant's representative: Mike Smith (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Meats, meat products, meat by-products, and frozen foods, from points in Iowa, Kansas, and Nebraska to those points in Mississippi on and south of Highway 82. The purpose of this filling is to eliminate the gateways of points in Louisiana.

No. MC 108207 (Sub-No. E72), filed May 31, 1974. Applicant: FROZEN FOOD EXPRESS, INC., P.O. Box 5888, Dallas, Tex. 75222. Applicant's representative: Mike Smith (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Frozen foods, from Arizona, New Mexico, and California, to those points in Kentucky and Tennessee on and west of a line beginning at the Ohio-Kentucky State line at St. Thomas, and extending along U.S. Highway 27 to Lexington, thence along U.S. Highway 68 to Glasgow, thence along U.S. Highway 31-E to Nashville, thence along U.S. Highway 43 to the Tennessee-Alabama State line. The purpose of this filing is to eliminate the gateways of points in Texas and Chickasha, Okla.

No. MC 110525 (Sub-No. E896) (Correction), filed May 20, 1974, published in the FEDERAL REGISTER November 4, 1974. Applicant: CHEMICAL LEAMAN TANK LINES, INC., P.O. Box 200, Downingtown, Pa. 19335. Applicant's representative: Thomas J. O'Brien (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Petroleum products, in bulk, in tank vehicles, from El Dorado, Pa.; and points within 10 miles thereof, to (1) points in Massachusetts, Connecticut, and Rhode Island (Cumberland, Md., points in Aston Township, Pa., and Philadelphia, Pa., and Ft. Lee, N.J.)\*, (2) to New York, N.Y., and points in Nassau and Suffolk Counties, N.Y. (Cumberland, Md., points in Aston Township, Pa., and Philadelphia, Pa.)\*, and (3) to points in that part of New Jersey on and east of New Jersey Highway 31 (Cumberland, Md., and points in Aston Township, Pa.) . restricted in (1) and (3) above against the transportation of liquid wax and commodities requiring attached heater equipment. The purpose of this filing is to eliminate the gateways indicated by asterisks above. The purpose of this correction is to correct a typographical

No. MC 110525 (Sub-No. E1017) (Correction), filed May 20, 1974, published in the Federal Register November 5, 1974. Applicant: CHEMICAL LEAMAN TANK LINES, INC., U.O. Box 200, Downingtown, Pa. 19335. Applicant's representative: Thomas J, O'Brien (same as above). Authority sought to operate as

a common carrier, by motor vehicle, over irregular routes, transporting: Animal, vegetable, mineral, and fish oil, chemicals, soap and soap products, and glycerin, in bulk, in special equipment (including tank vehicles), between points in Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Union, and Warren Counties, N.J., on the one hand, and, on the other, points in Connecticut, Massachusetts, and Rhode Island. The purpose of this filing is to eliminate the gateway of New York, N.Y. The purpose of this correction is to correct a typographical error.

No. MC 110525 (Sub-No. E1018), (Correction), filed May 20, 1974, published in the FEDERAL REGISTER November 5, 1974. Applicant: CHEMICAL LEAMAN TANK LINES, INC., P.O. Box 200, Downingtown, Pa. 19335. Applicant's representative: Thomas J. O'Brien (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Dry chemicals, in bulk, in special equipment (including tank vehicles), from points in Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Union, and Warren Counties, N.J., to points in Maine (except points in Aroostook Counties), New Hampshire, and Vermont. The purpose of this filing is to eliminate the gateways of New York, N.Y., and Springfield, Mass. The purpose of this correction is to correct a typographical error.

No. MC 113388 (Sub-No. E5), filed June 4, 1974. Applicant: LESTER C. NEWTON TRUCKING CO., P.O. Box 618, Seaford, Delaware 19973, Applicant's representative: Charles Ephrain, 1250 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036, Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Canned foods, (1) from points in Accomac and Northampton Countles, Virginia, to points in Maine, New Hampshire, Vermont, points in New York west and north of New York Highway 7, points in Pennsylvania west of a line beginning at the Pennsylvania-New York State line and extending along U.S. Highway 16 to Lemoyne, Pennsylvania, thence along unnumbered highway (formerly U.S. Highway 111) to Strinestown, Pennsylvania, and thence along U.S. Highway 111 to the Pennsylvania-Maryland State line (\*points in New Jersey on and south of New Jersey Highway 27 and points in Kent and Sussex Counties, Delaware); (2) from points in Kent and Cecil Counties, Maryland, to points in Maine, New Hampshire, Vermont, points in New York west and north of New York Highway 7, Lynchburg, Virginia, and points in Virginia on and east of U.S. Highway 1, that part of North Carolina bounded by a line beginning at the Virginia-North Carolina State line and extending along U.S. Highway 301 to the North Carolina-South Carolina State line, thence along the North Carolina-South Carolina State line to U.S. Highway 321, thence along U.S. Highway 321 to Boone, N.C., thence along U.S. High-way 221 to the North Carolina-Virginia male line, thence along the North Carolina-Virginia State line to the point of beginning including points on the innicated portions of the highways specined, new Bern, Kinston, Wallace, Co-Greenville, Washington, and manimin. Wilminston, North Carolina, Jacksonville, Plant City, Wauchula, Mlami, and Tamps, Florida, Atlanta, Georgia, and Columbia and Charleston, South Caralloa (\*points in New Jersey on and muth of New Jersey Highway 27, points in misses and Kent Countles, Delawaren (ii) from points in Queen Annes, Caroline, Talbot, Dorchester, Wicomico, Somerat, and Worcester Countles, Maryland, to points in Maine, New Hampshire, Verment, points in that part of North Carouna bounded by a line beginning at the Virginia North Carolina State line extending along U.S. Highway 301 to the North Carolina-South Carolina State Bouth Carolina State line to U.S. High-

way 321. Thence along U.S. Highway 331 to Boons, North Carolina, thence along U.S. Highway 221 to the North Carolina-Virginia State line to the point of besinning including points on the indicated portions of the highways specified, Plant City, Wauchula, Minmi, and Tampa, Florida ( Fruitland, Maryland, Swedsshero, New Jaracy, points in Kent and Sussex Counties, Delaware, including Lewes and Penwick Island, Delaware) | (4) from points in Kent and Sussex Countles, Delaware, to Columbia and Charleston, S.C., Atlanta, Georgia, Jacksonville, Plant City, Wauchula, Miami, and Tampa, Florida, and points in that part of North Carolina bounded by a line beginning at the Virginia-North Carolina State line, and extending along U.S. Highway 301 to the North Carolina-South Carolina State line, thence glong the North Carolina-Bouth Carolina State line to U.S. Highway 221, thence along U.S. Highway 221 to the North Carolina-Virginia State line, and thence along the North Carolina-Vir-Sinia State line to the point of beginning, including points on the indicated portions of the highways specified Penwick Island, Delaware); (8) from points in Salem County, New Jersey, to points in Maine, New Hampshire, and Vermont (\*Smyrna, Delaware); (6) from points in New Jersey texcept Camden Gloucester, Atlantic, Cumberland. Mercer, and Salem Counties), to the Dis-trict of Columbia (\*Smyrna, Delaware); (4) from points in Cape May County, N.J. to points in Maine, points in Penns sylvanta in and west of Adams, Cumberland, Perry, Juniata, Snyder, Union, Lycoming, and Tiega Counties, points York in and west of Cayuga, Pempleins, and Chemuns Counties, New York (\*Smyrna, Dalaware) | (fl) from Ocean, Monmouth, and Middleses Counties, New Jersey, to points in Payette, Greene, Washington, Allegheny, and Beaver Counties, Pennsylvania, and points in Butler County, on and south of U.S. Highway 432, (\*Smyrna,

Delaware: (B) from points in Sussex County, New Jersey, to points in Salem

County, New Jersey, (16) From points in New Jersey, to Lynchburg, Virginia, and points in Virginla on and east of U.S. Highway 1. and points in that part of North Carolina bounded by a line beginning at the Virginia-North Carolina State line and extending along U.S. Highway 351 to the North Carolina-South Carolina State line then west along the North Carolina-South Carolina State line to U.S. Highway 331, thence along U.S. Highway 331 te Boone, North Carolina, thence along U.S. Highway 221 to the North Caro-lina-Virginia State line, thence along the North Carolina State line to the point of beginning, including points on the indicated portions of the highway specified and Wilmington, New Bern, Columbus, Greenville, Einston. Wal lace, Washington, and Williamston, Miami, and Tampa, Florida, Atlanta, Georgia, Columbia and Charleston, Bouth Carolina (\*points in Kent and Sussex Counties, Delaware and Swedenboro, New Jersey); (11) from New York, to points in Pennsylvania, Delaware, Maryland, the District of Columbia, Lynchburg, Virginia, and points in Virginia east of U.S. Highway 1, points in that part of North Carolina bounded by a line beginning at the Virginia-North Carolina State line extending along U.S. Highway 301 to the North Carolina-South Carolina State line, thence along the North Carolina-South Carolina State line to U.S. Highway 321, thense along U.S. Highway 321 to the North Carolina-Virginia situte line, thence the North Carolina-Virginia fitate line to the point of beginning including Wilmington, New Bern, Kins-Wallnee, ton, Columbus, Greenville, Washington, and Williamston, North Carolina, Jacksonville, Plant City, Wattchula, Mlami, and Tampa, Florida, Atlanta, Georgia, Columbia and Charleston, South Carolina, those points in New York in and east of St. Lawrence, Jefferson, Oswego, Cayuga, Schuyler, and Chemung Counties, New York (\*points in Mercer County, New Jersey, Swedesboro, New Jersey, Dover, Delaware, Lewes, Delaware)

(12) From Baltimore, Maryland, to points in Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, Vermont, points in Bergen Essex, Union Counties, New Jersey, and that portion of Passale County, New Jersey, on and east of U.S. Highway 202 and points in Northampton, Accomack, and Norfolk Counties, Virginia, Columbia and Charleston, South Carolina, At-lanta, Georgia, Jacksonville, Plant City, Wauchula, Miami, and Tampa, Florida (\*Dover, Delaware, Queen Annes County. Maryland, and Swedesboro, New Jersey) (13) from Dunn, North Carolina, points in Maine, New Hampshire, V ment, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, that part of Pennsylvania, in and east of Tioga, Lycoming, Union, Snyder, Nor-(humberland, Dauphin, and Lancaster Countles, Pennsylvania, and points in

Maryland east of the Chesapeake Bay, ("Bridgeville, Delawars); and (14) from Philadelphia, Pennsylvania, to points in Jacksonville, Plant City, Wauchula, Miami, and Tampa, Florida, that part of North Carolina bounded by a line besinning at the Virginia-North Carolina sitate line and extending along Highway 301 to the North Carolina-South Carolina State line, thence along the North Carolina Bouth Carolina State line to junction U.S. Highway \$21, thence along U.S. Highway 221 to floons, North Carolina, thence along U.S. Highway 221 to the North Carolina-Virginia State line, thence along the North Carolina-Virginia State line to the point of besinning including the points on the indicated portions of the highways specified, Kinston, New Bern, Greenville, Wallace, Washington, and Williamston, North Carolina, Lynchburg, Virginia, and those points in Wicomico, flomerset, and Worcester Counties, Maryland, (\*Bridgeville, Delaware, Lewes, Delaware, New York, New York, and Swedesboro, New Jersey). The purpose of this filing is to eliminate the gateways indicated by saterisks above.

No. MC 113388 (Sub-No. E6). June 4, 1974. Applicant: LESTER C. NEWTON TRUCKING CO., P.O. Box 518, Seaford, Delaware 19973. Applicant's representative: Charles Ephrain, 1250 Connecticut Avenue NW., Bulte 600, Washington, D.C. 20036, Authority sought to operate as a common carrier, by motor vehicle, over irregular routes transporting: Canned vegetables and canned fish, (1) from Kent and Bussex Counties, Delaware, Queen Annes, Dorchester, and Caroline Counties, Maryland, to points in North Carolina, South Carolina, and Georgia (\*points in Westmoreland, Richmond, Northumberland Counties. Virginia-Maple Lancaster Grove, Virginia); (2) from points in Wicomico, Worcester, and Homerset Counties, Maryland, to points in South Carolina, and Georgia (\*points in Westmoreland, Richmond, Northumberland Counties, Virginia-Maple Laneaster Cirove, Virginia); (3) from points in Cecil and Kent Counties, Maryland, to points in North Carolina, South Carolina, and Georgia (\*points in Westmore-land, Richmond, Northumberland, Lancaster Counties, Virginia-Maple Grove, Virginia); and (4) from Baltimore, Maryland, to points in North Carolina, South Carolina, and Georgia (\*points in Westmoreland, Richmond, Northumberland, Lancaster Counties, Virginia-Maple Grove, Virginia). The purpose of this filing is to eliminate the gateways indicated by asteriaks above.

No. MC 118286 (Sub-No. E7), filed June 4, 1974. Applicant: LESTER C. NEWTON TRUCKING CO., P.O. Box 618, Seaford, Del. 19973. Applicant's representative! Charles Exhrain, Suite 609, 1250 Connecticut Ave. NW., Washington, D.C. 20028. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting! Such merchandics as is dealt in by wholesale, retail, and chain greecry and

food business houses (except in bulk), from New York, N.Y., to points in Sussex and Kent Counties, Del., and those in Caroline, Dorchester, Queen Annes, Somerset, Talbot, Wicomico, and Worcester Counties, Md. The purpose of this filing is to eliminate the gateway of points in New Jersey.

No. MC 113388 (Sub-No. E8), filed June 4, 1974. Applicant: LESTER C. NEWTON TRUCKING CO., P.O. Box 618, Seaford, Del. 19973. Applicant's representative: Charles Ephraim, 1250 Connecticut Ave. NW., Suite 600, Washington, D.C. 20036. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Such commodities as are used in, or incidental to the preparation, packing and shipment of canned, frozen, and processed foods (except in bulk), from points in Massachusetts, Connecticut, Rhode Island, and New York, to points in Sussex and Kent Counties, Del., and those in Caroline, Dorchester, Queen Annes, Somerset, Talbot, Wicomico, and Worcester Counties, Md. The purpose of this filing is to eliminate the gateway of points in Atlantic and Cumberland Counties. N.J.

No. MC 113388 (Sub-No. E9), filed June 4, 1974. Applicant: LESTER C. NEWTON TRUCKING CO., P.O. Box 618, Seaford, Del. 19973. Applicant's representative: Charles Ephraim, Suite 600, 1250 Connecticut Ave. NW., Washington, D.C. 20036. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Meats, meat products, and meat by-products, dairy products, and articles distributed by meat packinghouses as described in Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766, from Philadelphia, Pa., to points in Sussex and Kent Counties, Del., and those in Caroline, Dorchester, Queen Annes, Somerset, Talbot, Wicomico, and Worcester Counties. Md. (Camden, N.J.) \*; (2) those frozen foods which are meats, meat products, and meat by-products, dairy products, and articles distributed by meat packinghouses, as described in Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766, from Philadelphia, Pa., to points in Virginia and North Carolina, points in Aroostook. County, Maine, and points in Florida (except points in Madison, Hamilton, Suwannee, Columbia, Baker, Nassau, and Duval Counties), (Camden, N.J., and Dover, Del., and, as to points in Florida, Robbinsville, N.J.) \*; and (3) those processed foods (except in bulk), and canned foods which are meats, meat products, and meat by-products, dairy products, and articles distributed by meat packinghouses, as described in Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766, from Philadelphia, Pa., to points in Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, Delaware, Maryland, and the District of Columbia (Camden, N.J.) \*. The purpose of this filing is to

eliminate the gateways indicated by asterisks above.

No. MC 124673 (Sub-No. E2), filed May 31, 1974. Applicant: FEED TRANS-PORTS, INC., P.O. Box 2167, Amarillo, Tex. 79105. Applicant's representative: Thomas F. Sedberry, Suite 1102 Perry-Brooks Bldg., Austin, Tex. 78701. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Dry livestock feedstuffs, in bulk, from points in Lamb and Hockley Counties, Tex., to points in that part in New Mexico bounded by a line beginning at the New Mexico-Colorado State line and extending along U.S. Highway 85 to junction U.S. Highway 54, thence along U.S. Highway 54 to the New Mexico-Texas State line, thence along the New Mexico-Texas, New Mexico-Colorado States lines to the point of beginning. The purpose of this filing is to eliminate the gateway of points in Hale County, Tex.

By the Commission.

[SEAL] ROBERT L. OSWALD, Secretary.

[FR Doc.74-28467 Filed 12-4-74;8:45 am]

[Notice No. 196]

## MOTOR CARRIER BOARD TRANSFER PROCEEDINGS

DECEMBER 5, 1974.

Synopses of orders entered by the Motor Carrier Board of the Commission pursuant to sections 212(b), 206(a), 211, 312(b), and 410(g) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

Each application (except as otherwise specifically noted) filed after March 27. 1972, contains a statement by applicants that there will be no significant effect on the quality of the human environment resulting from approval of the application. As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings on or before December 26, 1974. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-75272. By order of November 22, 1974, the Motor Carrier Board approved the transfer to Robert J. Miller, St. Paul, Minn., of the operating rights in Certificate No. MC 134866 issued September 27, 1973, to Joe Coury and Michael Coury, a partnership, doing business as Coury Motor Freight, St. Paul, Minn., authorizing the transportation of general commodities, with usual exceptions, from South St. Paul, St. Paul, Newport, and Minneapolis, Minn., to points in the Towns of Osceola, Garfield, Lincoln, Balsam Lake, and St. Croix Falls, Polk County, Wis. Robert P. Sack.

33 E. Wentworth, West St. Paul, Minn. 55118, registered practitioner for applicants.

No. MC-FC-75318. By order of November 22, 1974, the Motor Carrier Board on reconsideration approved the transfer to E. L. M. Enterprises, Inc., East Chicago, Ind., of that portion of the operating rights in Certificate No. MC 125677, issued March 8, 1971, to Sterling Freight Lines, Inc., Chicago, III., authorizing the transportation of lime, in bulk. from Chicago, Ill., to points in Indiana Michigan, and Wisconsin, except points in Iowa, Lafayette, Green, Dane, Jefferson, Rock, Walworth, Waukesha, Milwaukee, Racine, and Kenosha Counties. Wis. Robert M. Hess, 5305 Hohman Avenue, Hammond, Ind. 46320, attorney for applicants.

No. MC-FC-75528. By order of November 25, 1974, the Motor Carrier Board approved the transfer to Jack Grumet, doing business as Grumet Moving & Storage Co., New York, N.Y., of the operating rights in Certificate No. MC 21717 issued May 31, 1949, to Bennie Grumet, doing business as Grumet Moving & Storage Co., New York, N.Y., authorizing the transportation of household goods between New York, N.Y., on the one hand, and, on the other, points in Connecticut, Massachusetts, New Jersey, New York, and Pennsylvania. Alvin Altman, 1776 Broadway, New York, N.Y. 10019, attorney for applicants.

[SEAL] JOSEPH M. HARRINGTON, Acting Secretary.

[FR Doc.74-28463 Filed 12-4-74;8:45 am]

[No. 36056]

## OKLAHOMA INTRASTATE FREIGHT RATES AND CHARGES-1974

At a Session of the Interstate Commerce Commission, Division 2, held at its office in Washington, D.C., on the 21st

day of November, 1974.

It appearing, that by petition filed August 27, 1974, petitioners The Arkansas Western Railway Company, The Atchison, Topeka and Santa Fe Railway Company, Beaver, Meade and Englewood Railroad Company, Chicago, Rock Island and Pacific Railroad Company, Fort Smith and Van Buren Railway Company, Hollis & Eastern Railroad Company, The Kansas City Southern Railway Company, Missouri-Kansas-Texas Railroad Company, Missouri Pacific Railroad Company, St. Louis-San Francisco Railway Company, Sand Springs Railway Company, Texas, Oklahoma & Eastern Railroad Company, The Texas and Pacific Railway Company, and Tulsa-Sapulpa Union Railway Company, 14 common carriers by railroad operating in interstate, foreign and intrastate commerce in the State of Oklahoma, seek an order from this Commission, under sections 13 and 15a(2) of the Interstate Commerce Act, authorizing them to increase their intrastate rates in Okiahoma corresponding to certain authorized and pending interstate

increases, namely, the increase authorned in Ex Parte No. 303, Increased Preight Rates and Charges, 1974, Nationwide (currently 4 percent on an interim basis), the increase of 10 percent, subject to certain conditions, authorized in Ex Parte No. 305, Nationwide Increase of Ten Percent in Freight Rates and Charges, 1974, a surcharge of .5 percent to offset increased fuel costs, which when added to the % percent surcharge already authorized by the Corporation Commission of the State of Okiahoma amounts to a 3.3 percent increase, corresponding to the 3.3 percent increase in interstate rail rates to offset the increased costs of fuel as published in Surcharge Tariff X-301-D (and a 3.5 percent fuel surcharge (in lieu of the 3.3 percent surcharge) should this Commission during the pendency of this proceeding authorize that increase on interstate traffic), and such further orders or further relief as may be necessary to remove the violations of the law set out in the petition;

It further appearing, that petitioners sought to increase the Oklahoma intrastate freight rates and charges by the same amounts as authorized by this Commission in Ex Parte No. 303 in a tariff issued March 6, 1974, scheduled to become effective on April 10, 1974, which tariff was suspended by the Corporation Commission of the State of Oklahoma on March 13, 1974 in Cause No. 25159, and that no hearing has yet been scheduled although the order suspending said tariff stated that a hearing to investigate the proposed rates and charges contained in the proposed tariff would take place

on the date to be announced;

It further appearing, that petitioners sought to increase the Oklahoma intrastate freight rates and charges by the same 10 percent authorized by this Commission, subject to certain conditions, in Ex Parte No. 305, in a tariff supplement filed on July 22, 1974, to become effective on August 26, 1974, which tariff was suspended by the Corporation Commission of the State of Oklahoma by order dated

July 29, 1974; It further appearing, that petitioners sought authority from the Corporation Commission of the State of Oklahoma by petition filed May 21, 1974: (1) to increase railroad freight rates by .5 percent by replacing the presently published 28 percent increase provision with a 3.3 percent increase provision in order to give effect to increases in fuel costs which have taken effect since the granting of the 2.8 percent increase, and (2) to increase or reduce railroad freight rates in the future as may be justified by further increases or reductions in fuel costs ("pass through authority"); that in a report dated July 29, 1974, a referee found and recommended that the petitioners be authorized to increase their rates by an amount of 2 percent rather than the requested 5 percent and denied the "pass through authority," argument set on September 18, 1974; and that at this time the Oklahoma rall carriers are at the X-301-B (2.8 percent) level on Oklahoma

intrastate traffic in respect to increases in rates to cover increases in fuel expenses;

It further appearing, that petitioners contend that the failure of intrastate traffic within the State of Oklahoma to bear the increases granted by this Commission in the aforementioned proceedings concerning interstate freight rates and charges, including the fuel surcharge, causes undue or unreasonable or unjust discrimination against or undue burden on interstate or foreign commerce; that the sought increases which have been or will be found reasonable for application on interstate traffic are necessary on intrastate traffic in order to eliminate the existing undue and unreasonable advantage and prejudice as between persons and localities in intrastate commerce, on the one hand, and persons and localities in interstate commerce, on the other, which is prohibited by the provisions of section 13(4) of the Interstate Commerce Act; and that the rates applicable to interstate movement are just and reasonable and comply with the provisions of the Interstate Commerce Act and applicable intrastate rates, to the extent they fail to bear the increases sought herein are, and for the future will be, unjustly and unreasonably low for the services performed, until the sought increases are granted; and

It further appearing, that petitioners request that this Commission institute an investigation into the rates and charges applicable to Oklahoma intrastate commerce, and after such hearing as this Commission may direct to be held, to make such findings as may be necessary and to enter order or orders as may be required to remove said violations of law herein complained of and to prescribe rates and charges for the transportation of freight traffic moving in intrastate commerce within Oklahoma which shall carry increases in the same measure and to the same degree as authorized by this Commission for interstate application in Ex Parte No. 303 and Ex Parte No. 305 and the ultimate increases which result from the Commission's final determination of the fuel surcharge increases;

And it further appearing, that insofar as interstate increases heretofore authorized and interstate increases to be authorized in Ex Parte No. 303 and authorized interstate increases in Ex Parte No. 305 and Surcharge Tariff X-301-D, but not as to proposed fuel surcharge increases, there has been brought in issue by the instant petition matters sufficient to require an investigation into the lawfulness of the intrastate rates and charges made or imposed by the State of Oklahoma to the extent said increases are not reflected therein, and that, therefore, an investigation should be instituted and the matter set for hearing;

Wherefore, and good cause appearing

It is ordered, That, to the extent inditherefor: cated, that petition be, and it is hereby, granted; and that an investigation be, and it is hereby, instituted under section 13 of the Interstate Commerce Act to

determine whether the said Oklahoma intrastate freight rates and charges of carriers by railroad, or any of them, operating in the State of Oklahoma, cause or will cause, by reason of the failure of such rates and charges to include increases corresponding to the interstate increases authorized or to be authorized in Ex Parte No. 303 and the interstate increases authorized in Ex Parte No. 305 and Surcharge Tariff X-301-D, "(now included in Tables 3 and 3-G of tariff X-305-A)," any undue or unreasonable advantage, preference or prejudice as between persons or localities in intrastate commerce, on the one hand, and those in interstate or foreign commerce. on the other, or any unjust discrimination against or undue burden on interstate or foreign commerce, and to determine what rates and charges, if any, or what maximum, or minimum, or maximum and minimum charges shall be prescribed to remove the unlawful advantage, preference, discrimination, or undue burden, if any, that may be found to exist; and, in all other respects, including proposed fuel surcharge increases, the petition be, and it is hereby, denied.

It is further ordered, That all carriers by railroad operating in the State of Oklahoma, subject to the jurisdiction of this Commission be, and they are hereby, made respondents in this proceeding.

It is further ordered. That all persons who wish to actively participate in this proceeding and to file and receive copies of pleadings shall make known that fact by notifying the Office of Proceedings, Room 5342, Interstate Commerce Commission, Washington, D.C., 20423, on or before 15 days from the service date of this order. Although individual participation is not precluded, to conserve time and to avoid unnecessary expense, persons having common interests should endeavor to consolidate their presentations to the greatest extent possible. The Commission desires participation only of those who intend to take an active part in the proceeding.

It is further ordered. That as soon as practicable after the date of indicating a desire to participate in the proceeding has passed, the Commission will serve a list of the names and addresses of all persons upon whom service of all pleadings must be made and that thereafter this proceeding will be assigned for

hearing

And it is further ordered, That a copy of this order be served upon each of the said petitioners; that the State of Oklahoma be notified of the proceeding by sending copies of this order and of the instant petition by certified mail to the Governor of the State of Oklahoma and the Corporation Commission of the State of Oklahoma, Oklahoma City, Oklahoma; and that further notice of this proceeding be given to the public by depositing a copy of this order in the office of the Secretary of the Interstate Commerce Commission at Washington, D.C., and by filing a copy with the Director, Office of the Federal Register for publication in the Federal Register.

This is not a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969.

By the Commission, Division 2. [SEAL] ROBERT L. OSWALD.

[FR Doc.74-28464 Filed 12-4-74;8:45 am]

Secretary.

#### TRAFFIC MOVING TO AND FROM CANADA

#### New Requirements Concerning Applications for Operating Authority

In the interest of furthering the presentation of more informative and pertinent evidence for consideration by this Commission, on October 25, 1974, the Commission approved the following requirements for parties to proceedings of the above nature:

(1) With respect to applications relating to traffic moving to or from Canada. we shall expect applicants to specify the Canadian points and port of entry points involved in this service, and grants of authority will be specifically limited ac-

cordingly.

(2) Where a Canadian carrier seeks single-line service authority for traffic moving to or from Canadian points, American protestants will be expected to show that they possess the necessary Canadian authority or are effectively competing for the involved traffic in an existing joint-line service.

(3) Any applicant seeking authority for a single-line service involving traffic moving to or from Canada must indicate that it holds the necessary Canadian authority or a condition will be imposed on a grant requiring the obtaining of such Canadian authority prior to issu-

ance of the certificates.

The preceding requirements are effective with respect to all applications seeking the above-described operating authority filed before the Interstate Commerce Commission on or after March 3. 1975

By the Commission.

[SEAL]

ROBERT L. OSWALD, Secretary.

[FR Doc.74-28469 Filed 12-4-74;8:45 am]

[Notice No. 96]

#### MOTOR CARRIER, BROKER, WATER CAR-RIER AND FREIGHT FORWARDER AP-**PLICATIONS**

NOVEMBER 29, 1974

The following applications (except as otherwise specifically noted, each applicant (on applications filed after March 27, 1972) states that there will be no significant effect on the quality of the human environment resulting from approval of its application), are governed by Special Rule 1100.2471 of the

Commission's general rules of practice (49 CFR, as amended), published in the FEDERAL REGISTER issue of April 20, 1966. effective May 20, 1966. These rules provide, among other things, that a protest to the granting of an application must be filed with the Commission within 30 days after date of notice of filing of the application is published in the Federal Register. Failure reasonably to file a protest will be construed as a waiver of opposition and participation in the proceeding. A protest under these rules should comply with section 247(d)(3) of the rules of practice which requires that it set forth specifically the grounds upon which it is made, contain a detailed statement of protestant's interest in the proceeding (including a copy of the specific portions of its authority which protestant believes to be in conflict with that sought in the application, and describing in detail the method-whether by joinder, interline, or other means-by which protestant would use such authority to provide all or part of the service proposed), and shall specify with particularity the facts, matters, and things relied upon, but shall not include issues or allegations phrased generally. Protests not in reasonable compliance with the requirements of the rules may be rejected. The original and one (1) copy of the protest shall be filed with the Commission, and a copy shall be served concurrently upon applicant's representative, or applicant if no representative is named. If the protest includes a request for oral hearing, such requests shall meet the requirements of section 247(d) (4) of the special rules, and shall include the certification required therein.

Section 247(f) of the Commission's rules of practice further provides that each applicant shall, if protests to its application have been filed, and within 60 days of the date of this publication, notify the Commission in writing (1) that it is ready to proceed and prosecute the application, or (2) that it wishes to withdraw the application, failure in which the application will be dismissed by the Commission.

Further processing steps (whether modified procedure, oral hearing, or other procedures) will be determined generally in accordance with the Commission's general policy statement concerning motor carrier licensing procedures, published in the FEDERAL REGISTER issue of May 3, 1966. This assignment will be by Commission order which will be served on each party of record Broadening amendments will not be accepted after the date of this publication except for good cause shown, and restrictive amendments will not be entertained following publication in the FEDERAL REG-ISTER of a notice that the proceeding has been assigned for oral hearing.

No. MC 2202 (Sub-No. 472), filed November 4, 1974. Applicant: ROADWAY EXPRESS, INC., 1077 Gorge Blvd., P.O. Box 471, Akron, Ohio 44309. Applicant's representative: William Slabaugh (same address as applicant). Authority sought

to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, Classes A and B erplosives, household goods as defined by the Commission, commodities in bulk and those requiring special equipment) Serving the plant and warehouse sites of Fisher Body Division, of General Motors Corporation, located at or near Tecum. seh, Mich., as an off-route point in connection with applicant's regular route operations.

Note.-Common control may be involved If a hearing is deemed necessary, applicant requests it be held at Detroit, Mich. or V. ashington, D.C.

No. MC 2304 (Sub-No. 32), filed November 1, 1974. Applicant: THE KAP. LAN TRUCKING COMPANY, a Corporation, 2900 Chester Avenue, Cleveland, Ohio 44114. Applicant's representative: James M. Burtch, 100 E. Broad Street, Columbus, Ohio 43215. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Springs and related parts thereof, from Columbia, Tenn., to DuBois, Pa and (2) materials and supplies used in the manufacture of springs, from Mc-Donald, Ohio, DuBois, Pa., Gary, Ind., and Buffalo, N.Y., to Columbia, Tenn.

Note.—If a hearing is deemed necessary, applicant requests it be held at Columbus, Ohio, or Pittsburgh, Pa.

No. MC 2401 (Sub-No. 54), filed November 1, 1974. Applicant: MOTOR FREIGHT CORPORATION, 114 Fifth Avenue, New York, N.Y. 10011. Applicant's representative: Same as above Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value Classes A and B explosives, livestock household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), serving the plantsite of The Firestone Tire Rubber Company at or near Nashville, Tenn, as an off-route point in connection with its authorized regular route operations from and/or to Nashville, Tenn

Note.-Common control may be involved If a hearing is deemed necessary, the appli-cant requests it be held at Washington, D.C.

No. MC 2962 (Sub-No. 56), filed November 4, 1974. Applicant: A. & H. TRUCK LINE, INC., 1111 East Louisiana Street, Evansville, Ind. 47717. Applicant's representative: Robert H. Kinker, 711 McClure Bldg., P.O. Box 464. Frankfort, Ky. 40601. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment) : Serving the plantsite of The Firestone Tire and Rubber Company, near Nashville, Tenn., in connection with applicant's regular route operations.

<sup>&</sup>lt;sup>1</sup> Copies of Special Rule 247 (as amended) can be obtained by writing to the Secretary, Interstate Commerce Commission, Washing-ton, D.C. 20423

Note.—If a hearing is deemed necessary, the applicant requests it be held at Nashville, Tenn.

No. MC 13123 (Sub-No. 77), filed November 6, 1974. Applicant: WILSON PREIGHT COMPANY, a Corporation, 3636 Follett Avenue, Cincinnati, Ohio 45223. Applicant's representative: Milton H. Bortz (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodtties (except those of unusual value. Classes A and B explosives, household goods as defined by the Commission. commodities in bulk, and those requiring special equipment), serving the plantsite of The Firestone Tire & Rubber Company near Nashville, Tenn., as an off-route point in connection with applicant's authorized regular route operations.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Nashville, Tenn., or Washington, D.C.

No. MC 19227 (Sub-No. 206), filed No-1974. Applicant: LEONARD vember 1. BROS. TRUCKING CO., INC., 2515 NW. 20th Street, Miami, Fla. 33152. Applicant's representative: J. Fred Dewhurst (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes transporting: Buses, self-propelled and non self-propelled, weighing less than 15,000 pounds, from points in Los Angeles County, Calif., to points in Alabama, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Washington, D.C.

No. MC 21227 (Sub-No. 8) filed November 1, 1974. Applicant: MIDLAND TRUCK LINES, INC., 311 Marion Street, St. Louis, Mo. 63104. Applicant's representative: George M. Catlett, 703-706 McClure Bldg., Frankfort, Ky. 40601. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodtties (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Evansville, Ind., and Elkton, Ky .: From Evansville, Ind., over U.S. Highway 41 to junction Pennyrile Parkway, thence over Pennyrile Parkway to junction U.S. Highway 41 near Madisonville, Ky., thence over U.S. Highway 41 to junction Pennyrile Parkway, thence over Pennyrile Parkway to junction U.S. Highway 68, thence over U.S. Highway 68 to Elkton, Ky, and return over the same route, serving no intermediate points.

Note.—If a hearing is deemed necessary, the applicant requests it be held at either Henderson or Louisville, Ky.

No. MC 21455 (Sub-No. 34), filed October 31, 1974. Applicant: GENE MITCHELL CO., a Corporation, West Liberty, Iowa 52776. Applicant's representative: Kenneth F. Dudley, 611 Church Street, P.O. Box 279, Ottumwa, Iowa 52501. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Soy flour and soy protein (except in bulk), from points in Illinois, Indiana, Iowa, Minnesota, and Missouri, to points in the United States (except Alaska and Hawaii).

Note.—If a hearing is deemed necessary, applicant requests it be held at either Chicago, Ill., or Kansas City, Mo.

No. MC 22139 (Sub-No. 13), filed November 1, 1974. Applicant: ROBERT ZAPORA, doing business as R. F. ZAPORA MOTOR TRANS., 22 Auburn Road, Hooksett, N.H. 03104. Applicant's representative: Arthur J. Piken, One Lefrak City Plaza, Flushing, N.Y. 11368. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Liquefled petroleum gas, in bulk, in tank vehicles, from Portsmouth-Newington, N.H., to points in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

Nore.—If a hearing is deemed necessary, the applicant requests it be held at Boston, Mass.

No. MC 28961 (Sub-No. 29), filed November 4, 1974. Applicant: McDUF-FEE MOTOR FREIGHT, INC., 3047 Lonyo Road, Detroit, Mich. 48209. Applicant's representative: Thomas M. Dooley (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: General commodities (except those of unusual value, Classes A and B explosives, livestock. household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), serving the plantsite of the Firestone Tire and Rubber Co., located Rutherford County, near Nashville, Tenn., as an off-route point in connection with carrier's regular route operations to and from Nashville, Tenn.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at either Nashville, Tenn., or Washington, D.C.

No. MC 29079 (Sub-No. 77), filed October 31, 1974. Applicant: BRADA MILLER FREIGHT SYSTEM, INC., 1210 South Union, Kokomo, Ind. 46901. Applicant's representative: Ben Cotten, 704 Southern Building, Washington, D.C. 20005. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Iron, and iron and steel products, from the plantiste and storage facilities of Bull Moose Tube Company, at or near Gerald, Mo., to points in Illinois, Indiana, Kentucky, those points in the lower peninsula of Michigan, those points in New York on and west of U.S. Highway 62, Ohio, those points in Pennsylvania on and west of

U.S. Highway 219, West Virginia, and those points in Wisconsin on and south of Wisconsin State Highway 60.

Note.—If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo., Indianapolis, Ind., or Washington, D.C.

No. MC 29120 (Sub-No. 187), filed November 6, 1974. Applicant: ALL-AMERICAN, INC., 900 West Delaware, Sioux Falls, S. Dak. 57101. Applicant's representative: R. H. Jinks (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment). Between Sioux Falls and Spearfish, S. Dak., serving no intermediate points: From Sioux Falls over Interstate Highway 90 to Spearfish, and return over the same route.

Nore.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Sioux Falls, S. Dak.

No. MC 29555 (Sub-No. 78), filed November 4, 1974. Applicant: BRIGGS TRANSPORTATION CO., a Corporation, 2360 West County Road "C Paul, Minn. 55113. Applicant's repre-sentative: Winston W. Hurd (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, livestock, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk and those requiring special equipment, and those requiring temperature control), serving the Warner-Lambert Co. distribution center, Centex Industrial Park, Elk Grove Village, Ill., as an offroute point in connection with applicant's authorized regular route authority.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at either Chicago, III., or Minneapolis, Minn.

No. MC 30319 (Sub-No. 148), filed November 4, 1974. Applicant: SOUTHERN PACIFIC TRANSPORT COMPANY OF TEXAS AND LOUISIANA (SPT), 7600 South Central Expressway, Dallas, Tex. 75216. Applicant's representative: Lloyd M. Roach, 1517 West Front Street, Tyler, Tex. 75701. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), serving the site of Texas Power and Light Company's Forest Grove Power Plant, located in Henderson County, Tex., as an off route point in connection with carrier's authorized regular route operations.

Note.—Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Dallas, Tex.

No. MC 33426 (Sub-No. 4), filed October 30, 1974. Applicant: FULLER TRANSPORTATION, INC., P.O. Box 198, West Columbia, S.C. 29169. Applicant's representative: Frank A. Graham, Jr., 707 Security Federal Bidg., Columbia, S.C. 29201. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Empty containers, from points in Charleston County, S.C., to points in Chatham County, Ga.

Note.—If a hearing is deemed necessary, applicant requests it be held at either Columbia or Charleston, S.C., or Charlotte, N.C.

No. MC 42487 (Sub-No. 829), November 4, 1974. Applicant: CONSOLI-DATED FREIGHTWAYS CORPORA-TION OF DELAWARE, 175 Linfield Drive, Menlo Park, Calif. 94025. Applicant's representative: Robert M. Bowden, Western Traffic Service, P.O. Box 3062, Portland, Oreg. 97208. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), serving mine and ore processing sites in Pima and Cochise Counties, Ariz., as offroute points in connection with its presently authorized regular route operations.

Note.—Common control and dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at either Phoenix, Ariz, or Sait Lake City, Utah.

No. MC 44735 (Sub-No. 19), filed October 29, 1974. Applicant: KISSICK TRUCK LINES, INC., 7101 East 12th Street, Kansas City, Mo. 64126. Applicant's representative: John E. Jandera, 641 Harrison Street, Topeka, Kans. 66603. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Lumber, plywood, particle board, and wood products, from Silsbee, Bon Weir, and Cleveland, Tex., to points in Arkansas, Oklahoma, Colorado, Kansas, Missouri, Illinois, Nebraska, North Dakota, South Dakota, Minnesota, Iowa, Wisconsin, Indiana, Michigan, and Ohio.

Note.—If a hearing is deemed necessary, the applicant does not specify a location.

No. MC 77972 (Sub-No. 26), filed November 12, 1974. Applicant: MER-CHANTS TRUCK LINE, INC., P.O. Box 908, New Albany, Miss. 38652. Applicant's representative: Donald B. Morrison, 717 Deposit Guaranty Bank Bldg., P.O. Box 22628, Jackson, Miss. 39205. Authority sought to operate as a common carrier, by motor vehicle, over regular routes. transporting: General commodities (except articles of unusual value, household goods, Classes A and B explosives, commodities in bulk, and commodities requiring special equipment): (1) Serving the Turner Industrial Park, near Tupelo, Miss., as an off-route point in connection with applicant's regular routes between Memphis, Tenn., and Tupelo, Miss.: (2) Serving the facilities of Weyerhaeuser Company, near Columbus, Miss., as an off-route point in connection with applicant's regular routes between Memphis, Tenn., and Starkville, Miss.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Memphis, Tenn., or Jackson, Miss.

No. MC 80430 (Sub-No. 151), filed November 4, 1974. Applicant: GATEWAY TRANSPORTATION CO., INC., 455 Park Plaza Drive, La Crosse, Wis. 54601. Applicant's representative: F. Neil Aschemeyer (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment): Serving Maple Grove Township, located in Hennepin County, Minn., as an off-route point in connection with applicant's authorized regular route operations to, from, and through the Minneapolis-St. Paul. Minnesota, Commercial Zone.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Minneapolis, Minn., Chicago, Ill., or Washington, D.C.

No. MC 83539 (Sub-No. 398), filed November 4, 1974. Applicant: C & HTRANSPORTATION CO., INC., 1936–2010 West Commerce Street, P.O. Box 5976, Dallas, Tex. 75222. Applicant's representative: Thomas E. James (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Lift trucks, and accessories, attachments, and parts thereof, from Oxnard, Calif., to points in the United States in and east of Wisconsin, Illinois, Missouri, Kansas, Oklahoma, and Texas.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Los Angeles, Calif.

No. MC 83539 (Sub-No. 399), filed November 8, 1974. Applicant: C & H TRANSPORTATION CO., INC., 1936-2010 West Commerce Street, P.O. Box 5976, Dallas, Tex. 75222. Applicant's representative: Thomas E. James (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Buses, self-propelled and non self-propelled, weighing less than 15,000 pounds, from points in Los Angeles County, Calif., to points in the United States (except Alaska and Hawaii).

Note.—Common control may be involved.

If a hearing is deemed necessary, the applicant requests it be held at Los Angeles, Calif.

No. MC 95045 (Sub-No. 4), filed November 7, 1974. Applicant: DOUGLAS EXPRESS, INC., 632 Fayette Avenue, Mamaroneck, N.Y. 10543. Applicant's representative: Morris Honig, 150 Broadsey, New York, N.Y. 10038. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Domestic air conditioners, kitchen cabinets, sinks, radios, talking

machines, television sets or combinations thereof, freezers, refrigerators, heaters ranges, stoves, sewing machines, household laundry or dishwashing machines, and drying machines, and household appliances not otherwise described, between Edison, N.J., on the one hand, and, on the other, Columbia, Del., New York, N.Y., points in Connecticut, and points in Dutchess, Greene, Nassau, Orange, Putnam, Rockland, Suffolk, Sullivan, Uster, and Westchester Counties. N.Y.

Note.—If a hearing is deemed necessary, the applicant requests it be held at New York, N.Y.

No. MC 95876 (Sub-No. 159) (Correction), filed October 7, 1974, published in the FEDERAL REGISTER issue of November 7, 1974, and republished as corrected this issue. Applicant: ANDERSON TRUCKING SERVICE, INC., 203 Cooper Avenue North, St. Cloud, Minn. 56301. Applicant's representative: Andrew R. Clark, 1000 First National Bank Bldg. Minneapolis, Minn. 55402. Authority sought to operate as a common carrier. by motor vehicle, over irregular routes, transporting: Iron and steel articles, from points in Porter and Lake Counties. Ind., and Cook, Du Page, and Will Counties, Ill., to points in North Dakota, South Dakota, those in Iowa on and west of U.S. Highway 69 (except Des Moines, Iowa), those in Nebraska on and east of U.S. Highway 281, those points in Doniphan, Brown, Nemaha, Pottawatomie, Jackson, Atchison, Jefferson, Leavenworth, Johnson, Douglas, Shawnee, Wabaunsee, Geary, Riley, and Wyandotte Counties, Kans., and those points in Atchison, Nodaway, Worth, Gentry, Andrew, Holt, De Kalb, Buchanan, Clinton, Platte, Clay, and Jackson Counties, Mo.

Nore.—The purpose of this republication is to indicate the correct destination territory which was previously published in error. Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Chicago, Ili.

No. MC 103051 (Sub-No. 326), filed October 31, 1974. Applicant: FLEET TRANSPORT COMPANY, INC., 934 44th Avenue North, P.O. Box 90408, Nashville, Tenn. 37209. Applicant's representative: Russell E. Stone (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Liquid feed and feed ingredients, in bulk, in tank vehicles, from Memphis, Tenn., to points in Arkansas, Kentucky, Mississippi, Missouri, and Tennessee.

Note.—Common control and dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at either Nashville, Tenn., or Atlanta, Ga.

No. MC 103051 (Sub-No. 328), filed November 11, 1974. Applicant: FLEET TRANSPORT COMPANY, INC., 934 44th Avenue North, P.O. Box 90408. Nashville, Tenn. 37209, Applicant's representative: Russell E. Stone (same address as applicant). Authority sought to operate as a common carrier, by motor

vehicle, over irregular routes, transporting: Vegetable oil, in bulk, in tank vehicles, from points in Mecklenburg County, N.C., to points in Ohio.

Note.—Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn., or Atlanta, Ga.

No. MC 103051 (Sub-No. 329), filed November 11, 1974. Applicant: FLEET TRANSPORT COMPANY, INC., 934 44th Avenue North, P.O. Box 90408, Nashville, Tenn. 37209. Applicant's representative: Russell E. Stone (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Salt, in bulk, in tank vehicles, from Charlotte, N.C., to points in Georgia and South Carolina.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Nashville, Tenn., or Atlanta, Ga.

No, MC 103051 (Sub-No. 330), filed November 11, 1974. Applicant: FLEET TRANSPORT COMPANY, INC., 934 44th Avenue North, P.O. Box 90408, Nashville, Tenn. 37209. Applicant's representative: Russell E. Stone (same address as applicant), Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Salt, in bulk, in tank vehicles, from Benderson, N.C., to points in North Carolina and Virginia.

Note.—Common control and dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn., or Atlanta, Ga.

No. MC 103993 (Sub-No. 839), filed October 31, 1974. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. 46514. Applicant's representative: Paul D. Borghesani (Same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular noutes, transporting: Trailers, designed to be drawn by passenger automobiles, in initial movements, from points in Box Elder County, Utah, to Doints in the United States (except Alaska and Hawail).

Note.—Common control was approved in MC-F-10057. If a hearing is deemed necessary, applicant requests it be held at Salt Lake City, Utah.

No MC 103993 (Sub-No. 840), filed November 7, 1974. Applicant: MORGAN DRIVE AWAY, INC., 2800 West Lexington Avenue, Eikhart, Ind. 46514. Applicant's representative: Paul D. Borghesant & James B. Buda (same address as applicant). Authority sought to operate as a commo carrier, by motor vehicle, over irregular routes, transporting: Materials, equipment, and supplies, used in the manufacture, sales, and distribution of metal buildings and metal building parts and sections, from points in Alabama, Arkansas, Kentucky, Maryland, Michigan, Missouri, New Jersey, New York, Ohio, Pennsylvania, Tennessee, West Virginia, and Wisconsin, to Birmingham, Ala., and Laurinburg, N.C.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Chicago, Ill.

No. MC 104004 (Sub-No. 199), filed November 4, 1974. Applicant: ASSOCIATED TRANSPORT, INC., 380 Madison Avenue, New York, N.Y. 10017. Applicant's representative: John P. Tynan, 65-12 69th Place, Middle Village, N.Y. 11379. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), serving the plantsite of Firestone Tire and Rubber Co. in Davidson and Rutherford Counties, Tenn. (near Nashville, Tenn.), as an offroute point in connection with applicant's authorized regular route opera-

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Nashville, Tenn., Washington, D.C., or New York, N.Y.

No. MC 105120 (Sub-No. 13), filed November 18, 1974. Applicant: FREIGHT-WAYS EXPRESS, INC., 2700 Sterick Bldg., Memphis, Tenn. 38103. Applicant's representative: James N. Clay, III (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: General commodities (except those of unusual value, commodities in bulk, commodities requiring special equipment, and household goods as defined by the Commission): (1) Between Magnolia, Ark., and Memphis, Tenn.: From Magnolia over U.S. Highway 79 to Memphis, and return over the same route, serving all intermediate points between Rison and Magnolia, and serving Springhill, La., and points in Columbia, Union, Ouachita, and Calhoun Counties, Ark., as offroute points; (2) Between Magnolia, Ark., and El Dorado, Ark.: From Magnolia over U.S. Highway 82 to El Dorado, and return over the same route, serving all intermediate points; (3) Between El Dorado, Ark., and Memphis, Tenn.: From El Dorado over U.S. Highway 167 to Little Rock, Ark., thence over Interstate Highway 40 to Memphis, and return over the same route, serving Little Rock, Ark., and points between Ivan and El Dorado, Ark., as intermediate points, and Springhill, La., and points in Columbia, Union, Ouachita, and Calhoun Counties, Ark., as off-route points, with service at Little Rock, Ark., and points in its Commercial Zone, restricted against the transportation of shipments originating at, destined to, or interchanged in Memphis, Tenn., or St. Louis, Mo., and points in their Commercial Zones; (4) Between the junction of Interstate Highway 40 and U.S. Highway 49 near Brinkley, Ark., and the junction of U.S. Highway 79 and Arkansas Highway 17: From the junction of Interstate Highway 40 and U.S. Highway 49 to Brinkley, Ark., thence over U.S. Highway 70 to junction Arkansas Highway 17, thence over Arkansas Highway 17 to junction U.S. Highway 79, and return

over the same route, serving no intermediate points, and serving the terminal points for joinder purposes only; and (5) Between the junction of Interstate Highway 40 and Arkansas Highway 11 near Hazen, Ark., and the junction of Arkansas Highway 11 and U.S. Highway 79: From the junction of Interstate Highway 40 and Arkansas Highway 11 over Arkansas Highway 11 to junction U.S. Highway 79, and return over the same route, serving no intermediate points, and serving the terminal points for joinder purposes only.

Note.—If a hearing is deemed necessary, the applicant requests it be held at El Dorado, Ark., or Memphis, Tenn.

No. MC 105813 (Sub No. 199), filed November 4, 1974. Applicant: BELFORD TRUCKING CO., INC., 3500 NW. 79th Avenue, Miami, Fla. 33148. Applicant's representative: Arnold L. Burke, 127 North Dearborn Street, Chicago, Ill. 60602. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Foodstuffs, from S. Hackensack, N.J., to points in Florida, Georgia, North Carolina, South Carolina, and Virginia.

NOTE.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Washington, D.C.

No. MC 106274 (Sub-No. 23), filed November 7, 1974. Applicant: RAEFORD TRUCKING COMPANY, a Corporation, P.O. Box 219, Sanford, N.C. 27330. Applicant's representative: Edward G. Villalon, Suite 1032 Pennsylvania Building, Pennsylvania Ave. & 13th St. N.W., Washington, D.C. 20004. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Landscape timbers and fencing, (1) from Plymouth and Weyco, N.C., to Salisbury, Md., for stopping-intransit for rot preventive treatment, thence to points in North Carolina, Virginta, Tennessee, Kentucky, Illinois, Indiana, Michigan, Ohio, West Virginia, Pennsylvania, Delaware, New Jersey, New York, Connecticut, Massachusetts, Rhode Island, Vermont, New Hampshire, Maine, Maryland, and the District of Columbia; and (2) from Plymouth and Weyco, N.C., to Pageland, S.C., for stopping-in-transit for rot preventive treatment, thence to points in the United States in and east of Michigan, Illinois, Indiana, Kentucky, Tennessee, Mississippi, and Louisiana.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Raleigh, N.C., or Washington, D.C.\*

No. MC 106497 (Sub No. 102), filed November 11, 1974. Applicant: PARK-HILL TRUCK COMPANY, a Corporation, P.O. Box 912 (Bus. Rte 1-44 east), Joplin, Mo. 64801. Applicant's representative: A. N. Jacobs, P.O. Box 113, Joplin, Mo. 64801. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Particleboard, plywood, and lumber, from Bon Wier, Silsbee, and Cleveland,

Tex., to points in the United States (except Alaska and Hawaii).

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Dallas, Tex., or Washington, D.C.

No. MC 106674 (Sub-No. 142) (Correction), filed October 15, 1974, published in the FEDERAL REGISTER issue of November 14, 1974, and republished as corrected this issue. Applicant: SCHILLI MOTOR LINES, INC., P.O. Box 123, Remington, Ind. 47977. Applicant's representative: Jerry L. Johnson (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Printed matter and materials, supplies, and equipment used in the maintenance and operation of printing plants (except commodities in bulk, in tank vehicles), between the plantsite and warehouse facilities of R. R. Donnelley & Sons Company, at or near Gallatin, Tenn., on the one hand, and, on the other, points in Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Virginia, West Virginia, and Wisconsin.

Norm.—The purpose of this republication is to correctly indicate the authority which was previously published in error. If a hearing is deemed necessary, the applicant requests it be held at either Chicago, Ill., or Indianapolis, Ind.

No. MC 107012 (Sub-No. 212), filed November 11, 1974. Applicant: NORTH AMERICAN VAN LINES, INC., P.O. Box 988, Lincoln Highway and Meyer Road, Fort Wayne, Ind. 46801. Applicant's representative: Michael L. Harvey (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Electric carts, uncrated, from points in Los Angeles and Orange Counties, Calif., to points in the United States (except Alaska and Hawaii).

Norz.—Common control and dual operations may be involved. If a hearing is deemed necessary, the applicant requests it be held at either Los Angeles or San Francisco, Calif.

No. MC 107515 (Sub-No. 964), filed October 31, 1974. Applicant: REFRIGERATED TRANSPORT CO., INC., P.O. Box 308, Forest Park, Ga. 30050. Applicant's representative: Richard M. Tettelbaum, Suite 375, 3379 Peachtree Road NE., Atlanta, Ga. 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Meats, meat products, and meat by-products as described in Section A of Appendix I to the Report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766, from Lovejoy, Ga., to points in North Dakota.

Note.—Common control and dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Atlanta, Ga.

No. MC 110525 (Sub-No. 1113), filed October 15, 1974. Applicant: CHEMI-CAL LEAMAN TANK LINES, INC., 520 East Lancaster Ave., Downingtown, Pa. 19335. Applicant's representative: Thomas J. O'Brien (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Granulated slag, in bulk, in tank vehicles, from Cresap, W. Va., to Millville, N.J.; and (2) petroleum oil and petroleum grease, in bulk, in tank vehicles, from Buffalo, N.Y., to points in Indiana, Michigan, and South Carolina, restricted in (2) above to traffic originating at the plant site of Battenfield-American, Inc.

Nore.—If a hearing is deemed necessary, the applicant requests it be held at New York, N.Y.

No. MC 111401 (Sub-No. 436), filed November 4, 1974. Applicant: GROEN-DYKE TRANSPORT. INC., 2510 Rock Island Boulevard, P.O. Box 632, Enid, Okla. 73701. Applicant's representative: Alvin J. Meiklejohn, Jr., Suite 1600 Lincoln Center, 1660 Lincoln Street, Denver, Colo. 80203. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Asphalt emulsion, in bulk, in tank vehicles, from Stroud, Okla., to East Shoals, Ind.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Kansas City, Mo., or Wichita, Kans.

No. MC 111729 (Sub-No. 469) (Correction), filed October 7, 1974, published in the Federal Register issue of November 7, 1974, and republished as corrected issue. Applicant: PUROLATOR COURIER CORP., 2 Nevada Drive, Lake Success, N.Y. 11040. Applicant's representative: Russell S. Bernhard, 1625 K. Street NW., Washington, D.C. 20006. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Fresh cut flowers and decorative greens when moving at the same time and in the same vehicle with commodities the transportation of which is subject to economic regulation. (1) between points in North Carolina; and (2) between points in South Carolina, in (1) and (2) above on traffic having an immediately prior or subsequent movement by air or motor vehicle.

Nove.—The purpose of this republication is to indicate the correct authority in MC 112750 and subs thereunder, therefore dual operations may be involved. Common control may also be involved. It a hearing is deemed necessary, the applicant requests it he held at Washington, D.C.

No. MC 112750 (Sub-No. 314), filed November 1, 1974 Applicant; PUROLATOR COURIER CORP., 2 Nevada Drive, Lake Success, N.Y. 11040. Applicant's representative: John M. Delaney (same address as applicant). Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Commercial papers, documents, and written instruments (except currency and negotiable securities), as are used

in the business of banks and banking institutions, between points in Boston, Mass., on the one hand, and, on the other, points in Carroll County, N.H. (except Wolfeboro, N.H.), under a continuing contract with Federal Reserve Bank of Boston.

Note.—Common control may be involved. If a hearing is deemed necessary, the sp-pilicant requests it be held at Washington, D.C.

No. MC 112801 (Sub-No. 166), filed November 4, 1974. Applicant: TRANS-PORT SERVICE CO., a Corporation 2 Salt Creek Lane, Hinsdale, III. 60521. Applicant's representative: Carl L. Steiner, 39 South La Salle Street, Chicago, Ill. 60603. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Chemicals, in bulk, in tank vehicles, from the plantsite of Reichhold Chemicals, Inc., at Kansas City, Kans., to points in Connecticut, Delaware, Florida, Idaho, Maine, Indiana, Massachusetts, New Hampshire, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Utah, Verment, Virginia, Washington, and West Virginia.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Kansas City, Mo., or Chicago, Ill.

No. MC 112822 (Sub-No. 356), filed October 29, 1974. Applicant: BRAY LINES INCORPORATED, 1401 N. Little Street, P.O. Box 1191, Cushing, Okia 74023. Applicant's representative: William W. Frick (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Cheese, from the plantsite and facilities of L. D. Schreiber Cheese Co., at Logan, Utah, to points in Illinois, Ohio, and Georgia.

Note.—If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or Kansas City, Mo.

No. MC 113874 (Sub-No. 3), filed November 6, 1874. Applicant: GILERT TRANSFER COMPANY, A Corporation. Friendship Ledford Road, P.O. Box 4827, Winston-Salem, N.C. 27107. Applicant's representative: A W. Flynn, Jr., P.O. Box 180, Greensboro, N.C. 27402. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Ferrous scrap metal, in hydraulic dump trailers: (1) from points in Forsyth County, N.C., in Lynchburg and Radford, Va.; and (2) from points in Virginia, to points in Forsyth County, N.C., under a continuing contract or contracts with United Auto Disposal Company.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Winston-Salem, N.C., Greensboro, N.C., or Washington, D.C.

No. MC 113908 (Sub-No. 328), filed October 31, 1974. Applicant: ERICKSON, TRANSPORT CORP., 2105 East Dale Street. P.O. Box 3180 G.S.S., Springfield, Mo. 65804. Applicant's representative: B. B. Whitehead (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Vinegar, vinegar stock, and vinegar stock concentrate, in bulk, from Lyndon-ville and North Rose, N.Y., to Champaign, III, Indianapolis and Terre Haute, Ind., Charlotte, N.C., and Memphis, Tenn.; and (2) flour and ingredients, mixed, in bulk, from St. Joseph, Mo., to points in Tennessee.

Norm.—If a hearing is deemed necessary, applicant requests it be held at either Kansas City, Mo., Chicago, Ill., or Washington, D.C.

No. MC 114045 (Sub-No. 408), filed October 31, 1974. Applicant: TRANS-COLD EXPRESS, INC., P.O. Box 5842, Dallas, Tex. 75222. Applicant's representative: J.B. Stuart (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Condy, confectionery, and chocolate coding (except commodities in bulk, in tank vehicles), in vehicles equipped with mechanical refrigeration, from Salinas, Calif., to points in Colorado and Texas.

Nore.—Common control may be involved. It a hearing is deemed necessary, applicant requests it be held at either Washington, DC, or New York, N.Y.

No. MC 114045 (Sub-No. 409), filed October 31, 1974. Applicant: TRANS-COLD EXPRESS, INC., P.O. Box 5842, Dallas, Tex. 75222. Applicant's representative: J. B. Stuart (same address as spilicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Candy, confectionery, and chocolate conting (except commodities in bulk, in tank vehicles), in vehicles equipped with mechanical refrigeration, from Naugatuk, Conn., Frankfort, Ind., and Mt. Joy and York, Pa., to points in Texas and California.

Note.—Common control may be involved. If a hearing is deemed necessary, applicant request it be held at either Washington, DC, or New York, N.Y.

No. MC 114045 (Sub-No. 410), filed November 4, 1974. Applicant: TRANS-COLD EXPRESS, INC., P.O. Box 5842, Dallas, Tex. 75222. Applicant's representative: J. B. Stuart (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Curic acid, in bags, drums, and containers, from the plantsite of Pfizer, Inc., at or near Southport, N.C., to points in some

Now.—Common control may be involved. If a hearing is deemed necessary, the applicant request be held at Washington, D.C., or New York, N.Y.

No. MC 114533 (Sub-No. 313), filed October 31, 1974. Applicant: BANKERS DISPATCH CORPORATION, 1106 West 3th Street, Chicago, III. 60609. Applicants, representative: Warren W. Walla, 1166 West 35th Street, Chicago, III. 69609, Authority sought to operate as a common carrier, by motor vehicle, over

irregular routes, transporting: Restorative dentistry products, between Kansas City, Mo., on the one hand, and, on the other, points in Kansas.

Note,—Applicant holds contract carrier authority in MC 128816 and subs thereunder, therefore dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Kansas City, Mo.

No. MC 114725 (Sub-No. 68), filed October 31, 1974. Applicant: WYNNE TRANSPORT SERVICE, INC., 2606 North 11th Street, Omaha, Nebr. 68110. Applicant's representative: Patrick E. Quinn, 605 South 14th Street, P.O. Box 82028, Lincoln, Nebr. 68501. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Caustic soda, from Wyandotte, Mich., to Blair, Nebr.

NOTE.—If a hearing is deemed necessary, applicant requests it be held at Omaha, Nebr.

No. MC 114896 (Sub-No. 22), filed November 8, 1974. Applicant: PUROLA-TOR SECURITY, INC., 1341 W. Mockingbird Lane, Suite 1001E, Dallas, Tex. 75247. Applicant's representative: William E. Fullingim (same address as applicant). Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Precious metal (gold), spent gold plating solution, gold stripping bath, (a) between Nutley, N.J., and Greensboro, Winston-Salem, and Gastonia, N.C., and (b) between Waterbury, Conn., and Greensboro, Winston-Salem, and Gastonia, N.C., and (c) between Brooklyn, N.Y., and Brodbecks, Pa., Greensboro, Winston-Salem, and Gastonia, N.C., under contract with AMP Incorporated.

Note.—Applicant holds common carrier authority in No. MC 140845, therefore dual operations may be involved. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 115917 (Sub-No. 29), filed November 1, 1974. Applicant: UNDER-WOOD & WELD COMPANY, INC., P.O. Box 247, Crossnore, N.C. 28616. Applicant's representative: Wilmer B. Hill, 805 McLachien Bank Bldg., 666 Eleventh Street NW., Washington, D.C. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Salt, in packages; (2) pepper, in packages, in mixed shipments with salt, in packages; and (3) materials and supplies used in the agricultural, water treatment, food processing, wholesale grocery, and institutional supply industries (except in bulk), in mixed shipments with salt, in packages, from the plantsite of Morton Salt Company, Division of Morton Norwich Products, Inc., at or near Silver Springs, N.Y., to points in Georgia, Kentucky, North Carolina, South Carolina, and Tennessee.

Note.—If a hearing is deemed necessary, the applicant requests it be held at either Washington, D.C., or Philadelphia, Pa.

No. MC 116519 (Sub-No. 25), filed October 31, 1974. Applicant: FREDERICK

TRANSPORT LIMITED, R.R. 6, Chatham, Ontario, Canada. Applicant's representative: S. Harrison Kahn, Suite 733 Investment Building, Washington, D.C. 20005. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Motor graders and attachments and parts. and materials used in the assembly or repair thereof, when moving in straight or mixed loads, between ports of entry on the International Boundary Line between the United States and Canada, in Michigan and New York, on the one hand, and, on the other, points in the United States (except Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming), restricted to traffic moving in foreign commerce.

Note.—If a hearing is deemed necessary, applicant requests it be held at Detroit, Mich.

No. MC 116763 (Sub-No. 298), filed November 7, 1974. Applicant: CARL SUB-LER TRUCKING, INC., North West Street, Versailles, Ohio 45380. Applicant's representative: H. N. Richters (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle. over irregular routes, transporting: Chewing gum and confectionery, from Duryea, Pa., to points in Alabama, Florida, Georgia, North Carolina, South Carolina, and Tennessee.

Note.—If a hearing is deemed necessary, applicant requests it be held at Philadelphia, Pa.

No. MC 116915 (Sub-No. 14), filed November 13, 1974. Applicant: ECK MILLER TRANSPORTATION CORPORATION, P.O. Box 1279, Owensboro, Ky, 42301. Applicant's representative: William P. Sullivan, 1819 H Street NW., Washington, D.C. 20006. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Machinery, between the plantsite of Cincinnati Cleaning and Finishing Company located at Cincinnati, Ohio, on the one hand, and, on the other, points in the United States, including Alaska, but excluding Hawali.

Note.—If a hearing is deemed necessary, the applicant requests it be held at either Washington, D.C., or Louisville, Ky.

No. MC 118142 (Sub-No. 84), filed November 8, 1974. Applicant: M. BRU-ENGER & CO., INC., 6250 North Broadway, Wichita, Kans. 67219. Applicant's representative: Lester C. Arvin, 814 Century Plaza Building, Wichita, Kans. 67202. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Precooked frozen foods, from the plantsite and manufacturing facilities of Shurtenda Foods, Incorporated, located at or near Cedartown, Ga., to points in Oklahoma, Texas, Missouri, Kansas, Arkansas, Mississippi, Colorado, Arizona, Nevada, New Mexico, Idaho, Utah, Washington, Oregon, and California.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Wichita, Kans.

No. MC 118288 (Sub-No. 46), filed October 29, 1974. Applicant: STEPHEN F. FROST, 14750 Boyle Avenue, Fontana, Calif. 92335. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Meats, meat products, meat by-products. and articles distributed by meat packinghouses as described in Sections A and C of Appendix I to the Report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766 (except commodities in bulk, in tank vehicles), from the plantsite and/or storage facilities utilized by Iowa Beef Processors, Inc., to points in Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming, restricted to traffic originating at the plantsite and/or storage facilities utilized by Iowa Beef Processors, Inc., and destined to named points.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Amarillo, Tex.

No. MC 123965 (Sub-No. 10), filed October 31, 1974. Applicant: KEAL DRIVEAWAY COMPANY, a Corporation, 852 East 73rd Street, Cleveland, Ohio 44103. Applicant's representative: Robert A. Shaffer (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Motor vehicles and motor vehicles chassis, in initial movements, in driveaway and truck-away service, and bodies, cabs, and parts and accessories for such vehicles, from Allentown, Pa., to points in the United States, including Alaska but excluding Hawaii.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Washington, D.C.

No. MC 124078 (Sub-No. 621), filed October 31, 1974. Applicant: SCHWER-MAN TRUCKING CO., a Corporation, 611 South 28th Street, Milwaukee, Wis. 53246. Applicant's representative: Richard H. Prevette (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Mineral seal oil, in bulk, in tank vehicles. from West Branch, Mich., to points in Illinois, Iowa, Kansas, Missouri, Nebraska, and Oklahoma; and (2) spent petroleum oils, in bulk, in tank vehicles, from points in Iowa, Kansas, Missouri, Nebraska, Michigan, and Oklahoma, to Chicago, Ill.

Norz.—Applicant holds contract carrier authority in MC 113822 Sub 68, therefore dual operations may be involved. Common control may also be involved. If a hearing is deemed necessary, the applicant requests it be held at either Omaha, Nebr., or Des Moines, Iowa.

No. MC 124211 (Sub-No. 253), filed November 1, 1974. Applicant: HILT TRUCK LINE, INC., P.O. Box 988, Downtown Station, Omaha, Nebr. 68101. Applicant's representative: Thomas L. Hilt. (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Lighting fixtures, and accessories and attachments, from Vicksburg, Miss., to points in California; and (2) such commodities as are dealt in and used by manufacturers and distributors of recreational motor vehicles. motorcycles and motorbikes, and trailers, (a) between points in Dodge County, Nebr., on the one hand, and, on the other, points in the United States (except Alaska and Hawaii); and (b) between points in Iowa, Kansas, and Nebraska, on the one hand, and, on the other, points in California, Idaho, Montana, Nevada, New Jersey, New York, Oregon, Pennsylvania, Utah, Washington, and Wyoming.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at either Omaha or Lincoln, Nebr.

No. MC 124887 (Sub-No. 10), filed October 29, 1974. Applicant: SHELITON TRUCKING SERVICE, INC., Route 1, Box 230, Altha, Fla. 32421. Applicant's representative: Sol H. Proctor, 1107 Blackstone Building. Jacksonville, Fla. 32202. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Fireplace logs, from Camilla, Ga., to points in Texas, Oklahoma, Kansas, Nebraska, Missouri, Illinois, Wisconsin, Michigan, Indiana, Ohlo, New York, New Jersey, Delaware, Maryland, Pennsylvania, Virginia, West Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Arkansas, Louisiana, Mississippi, Alabama, Florida, and the District of Columbia.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Tallahassee, Fig., or Atlanta, Ga.

No. MC 126581 (Sub-No. 3), filed November 4, 1974. Applicant: WRIGHT, doing business as, BUD'S EX-PRESS VAN & STORAGE, 410 Mississippi Street, P.O. Box 347, Vallejo, Calif. Applicant's representative: Thomas M. Loughran, 100 Bush Street, 21st Floor, San Francisco, Calif. 94104. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Used household goods, (1) between points in Alameda, Lake, Marin, Sacramento, San Francisco, San Joaquin, San Mateo, Placer, and Yolo Counties, Calif.; and (2) between points in the above Counties, on the one hand, and, on the other, points in Contra Costa, Napa, Sonoma, and Solano Counties, Calif., restricted to the transportation of traffic having a prior or subsequent movement, in containers, beyond the points authorized, and further restricted to the performance of pickup and delivery service in connection with packing, crating, and containerization, or unpacking, uncrating, and decontainerization of such traffic.

Note.—If a hearing is deemed necessary, the applicant requests it be held at San Francisco, Calif.

No. MC 126584 (Sub-No. 3), filed October 29, 1974. Applicant: DOROTHY JEANNE SWOFFORD, ADMINISTRA. TRIX OF THE ESTATE OF JACK W. SWOFFORD, doing business as SWOF FORD'S VAN & STORAGE, 1061 SOROMS Boulevard, Vallejo, Calif. 94590. Applicant's representative: Thomas M. Loughran, 100 Bush Street, San Francisco, Calif. 94104. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Used household goods, restricted to the transportation of traffic having a prior or subsequent movement, in containers, beyond the points authorized and further restricted to the performance of pickup and delivery service in connection with the packing, crating and containerization or unpacking uncrating, and decontainerization of such traffic, between points in Solano, Nam. Sonoma, Contra Costa, Marin, Sacramento, Placer, Yolo, Lake, San Francisco, Alameda, San Joaquin, and San Mateo Counties, Calif.

Note.—If a hearing is deemed necessar, the applicant requests it be held at SM Francisco, Calif.

No. MC 127616 (Sub-No. 21), filed November 6, 1974. Applicant: SAVAGE TRUCKING COMPANY, INC., P.O. Box 27, Chester Depot, Vt. 05144. Applicant's representative: Francis J. Ortman, 110 17th St. NW., Suite 613, Washington D.C. 20036. Authority sought to operais as a common carrier, by motor vehicle, over irregular routes, transporting: Precut timber frame buildings, from Harland, Vt., to points in Maryland, Maine. New Hampshire, Massachusetts, Bhode Island. Connecticut, New York, New Jersey, Ohlo, Indiana, Illinois, Michigan, and Wisconsin.

Note.—If a hearing is deemed necessar, the applicant requests it be held at Washington, D.C.

No. MC 127616 (Sub-No. 22), filed November 6, 1974. Applicant: SAVAGE TRUCKING COMPANY, INC., P.O. Box 27, Chester Depot, Vt. 65144. Applicant's representative: Francis J. Ortman, 1100 17th St. NW., Suite 613, Washington, D.C. 20036. Authority sought to operait as a common carrier, by motor vehicle over irregular routes, transporting: Profabricated log buildings, from Fletchet, N.C., to points in New York, New Jersey, Pennsylvania, Connecticut, Maryland, Delaware, and West Virginia.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Washington, D.C.

No. MC 127972 (Sub-No. 2), filed November 1, 1974. Applicant: CAMPAGNE TRUCKING CO., INC., P.O. Box 222. Bethpage, N.Y. 11714. Applicant's representative: Morton E. Kiel, Suite 6193, 5 World Trade Center, New York, N.Y. 1048. Authority sought to operate as a contract carrier, by motor vehicle, over tregular routes, transporting: Airpland parts, equipment, materials, and supplies (except commodities in tank vehicles), between Bethpage, N.Y., on the one hand, and, on the other, points in

Delaware, Maryland, Massachusetts, New York, Pennsylvania, Rhode Island, and Virginia, under a continuing contract or contracts with Grumman Aerospace Corporation.

Note.—If a hearing is deemed necessary, the applicant requests it be held at New York N.Y.

No. MC 128375 (Sub-No. 124), filed November 8, 1974. Applicant: CRETE CARRIER CORPORATION, P.O. Box 81228, Lincoln, Nebr. 68502, Applicant's representative: Duane W. Acklie (same address as applicant). Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes. transporting: Household and personal care products and related items, and materials and supplies, used in the manufacture and distribution thereof, between Ada, Mich., on the one hand, and, on the other, points in Pennsylvania, New Jersey, New York, and Dayton, Ohio, under a contract with Amway Corporation.

Nove.—If a hearing is deemed necessary, the applicant requests it be held at Ada, Mich, or Lincoln, Nebr.

No. MC 128527 (Sub-No. 49), filed November 4, 1974. Applicant: MAY TRUCKING COMPANY, a Corporation, P.O. Box 398, Payette, Idaho 83661. Applicant's representative: C. Marvin May (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Iron and steel structural fats and iron and steel shapes, iron and steel angles, iron and steel bars, iron and tteel reinforcing bars, iron and steel tubing, iron and steel sheets, iron and steel plates, iron and steel coils, iron and steel pipes, and iron and steel fittings, from McMinnville, Oreg., to points in ldaho south of the southern boundary of Idaho County, and to points in Montana.

Now,—If a hearing is deemed necessary, he applicant requests it be held at either Bohe, idaho, or Portland, Oreg.

No. MC 133175 (Sub-No. 3), filed October 29, 1974. Applicant: METALS TRANSPORT CO., a Corporation, 1140 Paland Avenue, Youngstown, Ohio 44502. Applicant's representative: Richard H. Brandon, 79 East State Street, Columbus, Ohio 43215. Authority sought to sperate as a contract carrier, by motor reticle, over irregular routes, transporthg: Steel buildings, building sections, panels, materials, parts, and accessories, from Van Wert, Ohio, to points in Conlecticut, Delaware, Illinois, Indiana, loza, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Versant, Virginia, West Virginia, Wisconin, and the District of Columbia, under a continuing contract or contracts with Republic Buildings Corporation.

Nore—It a hearing is deemed necessary, opportunity requests it be held at either Co-

No. MC 133221 (Sub-No. 21), filed October 31, 1974. Applicant; OVERLAND CO., INC., Highway 20, Route 1, Lawrenceville, Ga. 30245. Applicant's representative: K. Edward Wolcott, 1609 First Federal Bidg., Atlanta, Ga. 30303. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Polystyrene shapes and forms including polystyrene egg cartons and meat trays, from Atlanta, Ga., to points in the United States, on and east of U.S. Highway 85 (except Alaska and Hawail).

Note.—If a hearing is deemed necessary, the applicant requests it be held at Atlanta, Ga.

No. MC 133655 (Sub-No. 79), filed No-NO. MC 133635 GUI Applicant: TRANS-vember 1, 1974, Applicant: TRANS-NATIONAL TRUCK, INC., P.O. Box 4168, Amarillo, Tex. 79105. Applicant's representative: Neil A DuJardin, P.O. Box 2298, Green Bay, Wis. 54306, Authority sought to operate as a common carrier, by motor vehicle, over irregular routes. transporting: Printed matter, publications, and exempted printed matter, as described in Section 203(B) (7) of the Act, as amended, when transported at the same time and in the same vehicle with printed matter, and materials. supplies, and equipment used in the maintenance and operation of printing plants, between the plantsite of the R. R. Donnelly and Sons Company located at Gallatin, Tenn., on the one hand, and, on the other, points in North Carolina, South Carolina, Georgia, Florida, Alabama, Tennessee, Mississippi, Arkansas, Louisiana, Texas, Oklahoma, Kansas, Nebraska, North Dakota, South Dakota, Montana, Idaho, Washington, Oregon, California, Nevada, Utah, Colorado, Arizona, Wyoming, and New Mexico.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Chicago, Ill.

No. MC 133718 (Sub-No. 4), filed November 4, 1974. Applicant: W. H. RAMSEY, doing business as W. H. RAM-SEY & SONS, 1245 East 9th Street, Pomona, Calif. 91766. Applicant's representative: Milton W. Flack, 4311 Wilshire Boulevard, Suite 300, Los Angeles, Calif. 90010. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Clay or earthenware tile, and tile facing or flooring quarries, and tools, materials, and supplies needed for the installation of clay or earthenware tile, and tile facing or flooring quarries, (1) betwee Pomona and Roseville, Calif., and points in Maricopa County, Ariz.; and (2) between Pomona and Roseville, Calif., and points in Carson City, Churchill, Washoe, and Douglas Counties, Nev., under a continuing contract or contracts with Pomona Tile Company, a Division of American Olean Tile Company, Inc.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Los Angeles, Calif.

No. MC 134477 (Sub-No. 85), filed October 30, 1974. Applicant: SCHANNO TRANSPORTATION, INC., 5 West Mendota Road, West St. Paul, Minn. 55118. Applicant's representative: Thomas D. Fischbach (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Meats, meat products, meat by-products, and articles distributed by meat packinghouses, as described in Sections A and C of Appendix I to the report in Descriptions in Motor Carrier Certificates, 61 M.C.C. 209 and 766 (except hides and commodities in bulk), from Green Bay, Wis., to points in Colorado, Illinois, Indiana, Iowa, Kansas, Minnesota, Michigan, Missouri, Nebraska, North Dakota, Ohio, and South Dakota, restricted to traffic originating at the plansite and storage facilities of Green Bay Dressed Beef Co. at Green Bay, Wis., and destined to the above named destination states.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Minneapolis, Minn., or Madison, Wis.

No. MC 135032 (Sub-No. 13), filed November 5, 1974, Applicant: H1A-WATHA PRODUCE COMPANY, a Corporation, 4195 W. Fourth Street, Winona, Minn. 55887. Applicant's representative: Allan B. Torhorst, 217 E. Jefferson Street, Burlington, Wis. 53105. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Cheese, from Blair, Fremont, Portage, and Madison, Wis., to points in Connecticut, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

Nonz.—Applicant holds contract carrier authority in MC 133709 (Sub-No. 1), therefore dual operations may be involved. If a hearing is deemed necessary, the applicant requests it be held at Minneapolts, Minn.

No. MC 135170 (Sub-No. 4), filed November 7, 1974. Applicant: TRI-STATE ASSOCIATES, INC., P.O. Box 188, Federalsburg, Md. 21632. Applicant's representative: James C. Hardman, 127 North Dearborn Street, Chicago, Ill. 60602. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Containers, container ends, and accessories, and materials, equipment, and supplies, used in connection with the manufacture. sale, and distribution of containers (except commodities in bulk), (1) from Cambridge, Md., to points in Delaware, North Carolina, New Jersey, Pennsylvania, Virginia, and West Virginia; and (2) from Hanover, Pa, to points in Virginia, under contract with National Can Corporation.

Nore.—If a hearing is deemed necessary, the applicant requests it be held at Washington, D.C.

No. MC 135243 (Sub-No. 14), filed October 25, 1974. Applicant: WILLIAM H. DEES, doing business as DEES TRANSPORTATION, P.O. Box 446, Worland, Wyo. 62001. Applicant's representative: Robert S. Stauffer, 2539 Boston Road, Cheyenne, Wyo. 62001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Non-alcohobic beverages, from Salt Lake City, Utah,

and points in its Commercial Zone, to points in Wyoming; and (2) scrap paper: (a) from Helena, Butte, Great Falls, and Billings, Mont., and Salt Lake City, Utah, to Denver, Colo.; (b) from Salt Lake City, Utah, to Pomona, Los Angeles, Stockton, and Antioch, Calif., and Snowflake, Ariz.; and (c) from Mountain Home and Boise, Idaho, to Denver, Colo.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Salt Lake City, Utah, or Billings, Mont.

No. MC 136032 (Sub-No. 7), filed November 4, 1974. Applicant: TEXAS CONTINENTAL EXPRESS, INC., P.O. Box 434, Euless, Tex. 76039. Applicant's representative: Paul M. Daniell, P.O. Box 872, Atlanta, Ga. 30301. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Drugs, shampoo, and soap and toilet articles, in vehicles equipped with protective service, from the plant-site of Westwood Pharmaceuticals, Inc., at Buffalo, N.Y., to points in the United States in and west of Wisconsin, Illinois, Missouri, Arkansas, and Louisiana, under contract with Westwood Pharmaceuticals, Inc., at Buffalo, N.Y.

Note.—Applicant holds common carrier authority in MC 133095 Sub 1 and subs thereunder, therefore dual operations may be involved. If a hearing is deemed necessary, the applicant requests it be held at Buffalo, N.Y., or Dallas, Tex.

No. MC 136307 (Sub-No. 7), filed November 1, 1974. Applicant: BURKEWITZ TRANSPORT, INC., P.O. Box 47, Coventry, Vt. 05825. Applicant's representative: Frederick T. O'Sullivan, P.O. Box 2184. 622 Lowell Street, Peabody, Mass. 01960. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Fencing, wood lath, hardwood squares, precut and fabricated buildings and lawn furniture, fencing parts and fencing accessories, pallets, and lumber (except commodities which because of size or weight require the use of special equipment), from points in Orleans and Caledonia Counties, Vt., to points in Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Maryland, Delaware, Ohio, Virginia, West Virginia, North Carolina, Indiana, Kentucky, Michigan, Illinois, and the Distriet of Columbia and (2) granite, from Derby, Vt., to points in New York, New Jersey, Pennsylvania, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut.

Note.—If a hearing is deemed necessary, applicant requests it be held at Montpelier, Vt.

No. MC 138230 (Sub-No. 4), filed November 4, 1974. Applicant: CYNTHIA S. TRAYNER, doing business as, DICK TRAYNER & SONS TRUCKING, Wauregan Road, Canterbury, Conn. 66331. Applicant's representative: John E. Fay, 630 Oakwood Avenue, West Hartford Conn. 66110. Authority sought to operate as a contract carrier, by motor vehicle,

over irregular routes, transporting: Shale, between Cohoes and Poughkeepsie, N.Y., Plainville, Mass., and Warwick, R.I., on the one hand, and, on the other, Uncasville, Conn., under a continuing contract or contracts with Thames Permacrete Corporation.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Hartford, Conn., or Boston, Mass.

No. MC 138413 (Sub-No. 3), filed November 5, 1974. Applicant: JOHN TOWNROW, doing business as JOHN TOWNROW TRUCKING, 4290 Eiton Street, Baldwin Park, Calif. 91706. Applicant's representative: David A. Sutherlund, 2001 Massachusetts Ave. NW., Washington, D.C. 20036. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Abrasives, insulating material, and firebrick, from Niagara Falls, N.Y., to Los Angeles, Santa Fe Springs, and Compton, Calif., under a continuing contract or contracts with the Carborundum Company.

Note.—If a hearing is deemed necessary, applicant requests it be held at Los Angeles, Calif., or Washington, D.C.

No. MC 138480 (Sub-No. 1) (Correction), filed October 24, 1974, and published in the FEDERAL REGISTER issue of November 21, 1974, as MC 140343, and republished as corrected this issue. Applicant: CENTRAL DELIVERY SERV-ICE, INC., 1101 Ripley Street, Silver Spring, Md. 20910. Applicant's repre-sentative: S. Harrison Kahn, Suite 733 Investment Building, Washington, D.C. 20005. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Printed matter and related documents used in and useful for the preparation of telephone directories, (A) from (1) the offices and facilities of the Chesapeake & Potomac Telephone Company of Virginia, located in Arlington County and Alexandria and Falls Church, Va.; (2) the offices and facilities of the Chesapeake & Potomac Telephone Company located in Washington, D.C., and Silver Spring, Md.; and (3) the offices and facilities of the Chesapeake & Potomac Telephone Company of Maryland, located in Annapolis, Baltimore, Cockeysville, Havre De Grace, Hyattsville, Rockville, Seabrook, Silver Spring, Temple Hills, Towson, and Wheaton, Md., to Philadelphia, Pa.; and (B) from Philadelphia, Pa., to (1) the offices and facilities of the Chesapeake & Potomac Telephone Company of Maryland, located in Annapolis, Baltimore, Cockeysville, Havre De Grace, Hyattsville, Rockville, Seabrook, Silver Spring, Temple Hills, Towson, and Wheaton, Md.; (2) the offices and facilities of the Chesapeake & Potomac Telephone Company, located in Washington, D.C., and Silver Spring, Md.; and (3) the offices and facilities of the Chesapeake & Potomac Telephone Company of Virginia, located in Arlington County and Alexandria and Falls Church, Va., restricted to movements originating at or destined to the offices.

and facilities of the Chesapeake & Potomac Telephone Company, Washington D.C., the Chesapeake & Potomac Telephone Company of Virginia, and the Chesapeake & Potomac Telephone Company of Maryland.

Note.—The purpose of this correction is is indicate that the correct docket number assigned to this application is MC 138480 is lieu of MC 140343. If a hearing is deemed necessary, the applicant requests it be held at Washington, D.C.

No. MC 139269 (Sub-No. 2), filed October 30, 1974. Applicant: C. P. CRASKA, INC., 207 Cosby Manor Road Utica, N.Y. 13502. Applicant's representative: Murray J. S. Kirshtein, 11 Bleecker Street, Utica, N.Y. 13501. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Meats, men products and meat by-products, and articles distributed by meat packinghouse as described in Sections A and C of Appendix I to the report in Descriptions Motor Carrier Certificates, 61 M.C.C. 216 and 766, between Utica, N.Y., points Berkshire County, Mass., points in Bergen, Essex, Morris, Passaic, and Sussei Counties, N.J., and points in Bradford Pike, Susquehanna, Tioga, and Wayn Counties, Pa., in non-radial movements and (2) fruit juices and frozen juices from Buffalo, N.Y., to points in Connec-

Note.—If a hearing is deemed necessar applicant requests it be held at Utica, Spacuse, or Buffalo, N.Y.

No. MC 139712 (Sub-No. 3), filed November 8, 1974. Applicant: CREAMLAND DAIRIES, INC., 1911 Second Street NW. Albuquerque, N. Mex. 87125. Applicant: representative: Edwin E. Piper, Jr., 118 Sandia Savings Bldg., Albuquerque, N. Mex. 87102. Authority sought to operate as a contract carrier, by motor vehicle over irregular routes, transporting over irregular routes, transporting Meats, meat products, meat by-product frozen foods, and foodstuffs and damproducts, from Deniver, Colo., to Albuquerque, N. Mex., under contract will Streat Foods, at Albuquerque, N. Mex. Beatrice Cold Storage Warehouse, a Dirision of Beatrice Foods Co., at Denve. Colo., and Springdale Farms, Inc., at Albuquerque, N. Mex.

Note.—If a hearing is deemed necessary applicant requests it be held at Albuquerque N. Mex.

No. MC 139785 (Sub-No. 1), filed October 29, 1974. Applicant: CARL ILIETZ, doing business as LIETZ FARMS Route 1, Coloma, Wis. 54930. Applicant representative: Rolfe E. Hanson, ill West Doty Street, Madison, Wis. 5370 Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: (1) Frozz sumption, in vehicles equipped with mechanical refrigeration, from the plantand warehouse facilities of Wisconsis Brand, Inc., at Iola, Viroqua, Alma Cepter, and Montfort, Wis., to points is Alabama, Arkansas, Florida, Kanss.

Massachusetts, Michigan, New Hampshire, and South Dakota; and (2) rejected shipments, on return, under a continuing contract or contracts with Wisconsin Brand, Inc.

Note.—If a hearing is deemed necessary, applicant requests it be held at Madison or Milwaukee, Wis.

No. MC 139965 (Sub-No. 2) (Correction), filed October 7, 1974, and published in the FEDERAL REGISTER issue of November 21, 1974, and republished as corrected this issue. Applicant: WIL-LIAM V. SOWDER, doing business as SOWDER TRUCKING CO., 424 E. 16th Street, Covington, Ky. 41014. Applicant's representative; Norbert B. Flick, Executive Bldg., Cincinnati, Ohio 45202. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Home, laundry, and auto care products, cosmetics and toilet preparations, cookware and cutlery, food supplements and literature, and sales aids (except commodities in bulk), from Covington, Ky., to points in Boone and Campbell Counties, Ky., and Butler, Warren, Clinton, Highland, Hamilton, Clermont, and Brown Counties, Ohio, under contract with Amway Corporation, at Ada, Mich.

Note.—The purpose of this correction is to indicate the correct docket number assigned to this application is MC 189965 (Sub-No. 2) in lieu of MC 140358. If a hearing is deemed necessary, the applicant requests it be held at Cincinnati, Ohio.

No. MC 140074 (Sub-No. 2), filed November 11, 1974. Applicant: WALDO W. WILLIAMS, doing business as TRI-PLE W. TRANSPORT, Route 2, Missoula, Mont. 59801. Applicant's representative: Jerome Anderson, 100 Transwestern Bldg., 494 N. 31st Street, Billings, Mont. 59101. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Woodchips, in bulk, from the Intermountain Company sawmill, located at Salmon, Idaho, to the Hoerner Waldorf plantsite, located approximately thirteen miles west of Missoula, Mont.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at either Missoula or Helena, Mont.

No. MC 140122 (Sub-No. 2), filed No-Vember 8, 1974. Applicant: SNOWBALL, LTD., P.O. Box 361, Morton, III. 61550. Applicant's representative: Jacob P. Billig, 1126 16th St. NW., Washington, D.C. 20036. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Scrap metals, ferrous and non-ferrous, and crushed auto bodies, for recycling purposes, (a) from points in Arizona, California, Colorado, Idaho, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming, to Spokane, Kent, Tacoma, and Seattle, Wash.; Eugene and Portland, Oreg.; Bakersfield, Vernon, Riverside, Oakland, National City, Stockton, Los Angeles, Ettwanda, Long Beach, Fontana, and Terminal Island, Calif.; Las Vegas, Nev., and Salt Lake City, Utah; (b) from points in Arkansas, Iowa, Louisiana, Missouri, North Dakota, and South Dakota, to Peoria, Waukegan, Chicago, Alton, East St. Louis, McCook, Blue Island, and South Beloit, Ill.; Kansas City, Kans.; Fond du Lac, Portage, Racine, Madison, and Milwaukee, Wis.; St. Paul, Minneapolis, and Anoka, Minn.; South Bend, Fort Wayne, and Michigan City, Ind.; and Columbus, Defiance, Toledo, Canton, Brookpark, West Carrollton, and Cincinnati, Ohio; and (c) from points in Colorado, Kansas, Nebraska, and Wyoming, to Peoria, Waukegan, Chicago, Alton, East St. Louis, Mc-Cool, and Blue Island, Ill.; Fond du Lac, Portage, Racine, and Milwaukee, Wis.; Minneapolis and Anoka, Minn.; South Bend, Fort Wayne, and Michigan City, Ind.; and Columbus, Defiance, Toledo, Canton, Brookpark, West Carrollton, and Cincinnati, Ohio, and (2) Scrap metals, ferrous and nonferrous, for recycling purposes, from points in Colorado, Kansas, Nebraska, and Wyoming, to South Beloit, Ill., Kansas City, Kans., St. Paul, Minn., and Madison, Wis.

NOTE.—If a hearing is deemed necessary, the applicant requests it be held at Denver, Colo.

No. MC 140138 (Sub-No. 2), filed November 5, 1974. Applicant: A. W. HURST, doing business as SIERRA RENTAL & TRANSPORT CO., 311 Sutro Street, Reno, Nev. 89502. Applicant's representative: A. W. Hurst (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Gravel, rock, road mix, cinders, stone, decomposed granite, aggregate, paving materials, in bulk, and water, in tank vehicles, between points in Washoe, Pershing, Storey, Carson City, Douglas, Lyon, Mineral, and Esmeralda Counties, Nev., and Inyo, Mono, Alpine, El Dorado, Sierra, Placer, Nev., and points in Plumas, Lassen, and Modoc Counties, Calif.

Note.—If a hearing is deemed necessary, the applicant requests it be held at either Carson City or Reno, Nev.

No. MC 140155 (Sub-No. 1), filed November 7, 1974. Applicant: DONALD L. LATARE, 1668 38th Avenue, Columbus, Nebr. 68601. Applicant's representative: Gailyn L. Larsen, 521 South 14th Street, P.O. Box 81849, Lincoln, Nebr. 68501, Authority sought to operate as a contract carrier, by motor vehicle, over irregular transporting: (1) Steel tubing, grain bin parts and accessories, and electrical control boxes and accessories thereto, from the plantsite and storage facilities of Middle State Manufacturing Co., Inc. at or near Columbus, Nebr., to points in North Dakota, South Dakota, Kansas, Oklahoma, Texas, Minnesota, Wisconsin, Iowa, Illinois, Missouri, Arkansas, Louisiana, Mississippi, Michigan, Indiana, Kentucky, Tennessee, Alabama, Ohio, West Virginia, District of Columbia, Virginia, North Carolina, South Carolina, Georgia, Pennsylvania, and New York; (2) equipment, materials, and supplies used in the manufacture, production, and distribution of the commodities named in (1) above, from points in North Dakota, South Dakota, Kansas, Oklahoma, Texas, Minnesota, Wisconsin, Iowa, Illinois, Missouri, Arkansas, Louislana, Mississippi, Michigan, Indiana, Kentucky, Tennessee, Alabama, Ohio, West Virginia, District of Columbia, Virginia, North Carolina, South Carolina, Georgia, Pennsylvania, and New York, to the plantsite and storage facilities of Middle State Manufacturing Co., Inc. at or near Columbus, Nebr., under a continuing contract or contracts with Middle State Manufacturing Co., Inc.

Note.—If a hearing is deemed necessary, the applicant requests it be held at Lincoln or Omaha, Nebr.

No. MC 140339 (Sub-No. 2), filed October 29, 1974. Applicant: TONY'S TER-MINAL TRK., INC., 77 Paterson Ave-nue, Wallington, N.J. 07057. Applicant's representative: Morton E. Kiel, 5 World Trade Center, Suite 6193, New York, N.Y. 10048. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: (1) Such commodities as are dealt in by a manufacturer of electric and gas appliances: (a) from East Rutherford, N.J., to points in Nassau, Suffolk, Rockland, Orange, Sullivan, Ulster, Westchester, Putnam, and Dutchess Counties, N.Y., and New York, N.Y.; and (b) from points in the New York, N.Y., Commercial Zone, to East Rutherford, N.J.; and (2) re-turned shipments on return, under a continuing contract or contracts with Admiral Group of Rockwell International Corp.

Note.—If a hearing is deemed necessary, the applicant requests it be held at New York, N.Y.

No. MC 140387, filed October 29, 1974. Applicant: RAEMIN TRUCKING CO., INC., 1120 Close Avenue, Bronx, N.Y. 10472. Applicant's representative: Robert B. Pepper, 168 Woodbridge Avenue, Highland Park, N.J. 08904. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: Games, toys, educational materials, and materials, equipment, and supplies used in the manufacture of these commodities (except commodities in bulk), between New York, N.Y., on the one hand, and, on the other, points in Connecticut, Maryland, Massachusetts, New Jersey, New York, and points in Pennsylvania east of the Susquehanna River, under a continuing contract or contracts with Questor Educational Products Company.

Note,—If a hearing is deemed necessary, the applicant requests it be held at New York, N.Y., or Washington, D.C.

#### PASSENGER APPLICATIONS

No. MC 1515 (Sub-No. 201), filed October 30, 1974. Applicant: GREYHOUND LINES, INC., Greyhound Tower, Phoenix, Ariz. 85077. Applicant's representative: Anthony P. Carr. 1400 West Third Street, Cleveland, Ohio 44113. Authority sought to operate as a common carrier,

by motor vehicle, over irregular routes, transporting: Passengers and their baggage, in the same vehicle with passengers, in special operations, between White Sulphur Springs, Gauley Bridge, and Weston, W. Va., on the one hand, and, on the other, points in Randolph, Pocahontas, and Greenbrier Counties, W. Va.

Norm.—Applicant states that it intends to tack the requested authority with its existing authority held in No. MC 1515 and substhereunder at White Sulphur Springs, Gauley Bridge, and Weston, W. Va., to provide a through service between all points on applicant's authorized routes and points in Randolph, Pocahontas and Greenbrier Counties, W. Va. Common control may be involved. If a hearing is deemed necessary, the applicant requests that operating testimony be heard at Cleveland, Ohio, and that public testimony be heard at Cleveland and Columbus, Ohio, Pittsburgh, Pa., Washington, D.C., and Roenoke, Va.

No. MC 129379 (Sub-No. 2), filed October 31, 1974. Applicant: FIDELITY MOTOR BUS LINES, INC., 1920 Lincolnway East, Massillon, Ohio 44646. Applicant's representative: A. Charles Tell, 100 East Broad Street, Columbus. Ohio 43215. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Passengers and their baggage, in the same vehicle with passengers, in round-trip special and charter operations, beginning and ending at points in Coshocton County, Ohio, and extending to points in the United States including Alaska but excluding Hawaii; and (2) passengers and their baggage, in the same vehicle with passengers, in round-trip special operations, beginning and ending at Louisville and Massillon, Ohio, and points in Tuscarawas County, Ohio, and extending to points in the United States (except Illinois, Indiana, Kentucky, Michigan, New York, Pennsylvania, Virginia, West Virginia, Hawaii, and the District of Columbia).

Note.—If a hearing is deemed necessary, the applicant requests it be held at Columbus, Ohio.

#### BROKERAGE APPLICATIONS

No. MC 130276, filed October 23, 1974. Applicant: JOHN TORINO AND M. ELLEN TORINO, a Partnership, doing business as TORINO TRAVEL TOURS, 659 Howard Avenue, New Haven, Conn. 06519. Applicant's representative: John B. Torino (same address as applicant). Authority sought to engage in operation, in interstate or foreign commerce, as a broker at New Haven, Conn., to sell or offer to sell the transportation of Passengers and their baggage, in special and charter operations, in all expense round-

trip tours, by motor common carriers, from New Haven County, Conn., to points in the United States (except Hawaii and Alaska).

Note.—If a hearing is deemed necessary, the applicant requests it be held at Hartford, Conn., or Boston, Mass.

No. MC 130275, filed October 31, 1974. Applicant: TRAVEL HEADQUARTERS, INC., 148 W. Bridge Street, Owatonna, Minn. 55060. Applicant's representative: Andrew R. Clark, 1000 First National Bank Bldg., Minneapolis, Minn. 55402. Authority sought to engage in operation, in interstate or foreign commerce, as a broker at Owatonna, Minn., to sell or offer to sell the transportation of Handicapped passengers and their baggage, families, friends, and attendants, by motor contract carriers, between points in the United States including Alaska but excluding Hawaii.

Note.—If a hearing is deemed necessary, the applicant requests it be held at St. Paul,

No. MC 130277, filed November 1, 1974 Applicant: ELVA J. GOSSER AND MAXINE H. WILLIER, a partnership, doing business as WIL-GO TOURS CLUB, Highway 63 North, Lancaster, Mo. 63548. Applicant's representative: Elva Gosser (same address as applicant). Authority sought to engage in operation, in interstate or foreign commerce, as a broker at Lancaster, Mo., to sell or offer to sell the transportation of Groups of passengers and their baggage, by motor carrier vehicles, from that area of Missouri bounded on the west by U.S. Highway 65, on the south by Interstate Highway 70, and on the north and east by Missouri State Line, to points in the United States (except Alaska and Hawaii)

Note.—If a hearing is deemed necessary, the applicant requests it be held at Kirksville, Mo.

#### FREIGHT FORWARDER APPLICATIONS

No. FF 453 (Amendment), filed May 23, 1974, and published in the FEDERAL REG-ISTER issue of July 11, 1974, and republished as amended this issue. Applicant: AMERICAN CONTAINER EXPRESS INC., doing business as AUSTASIA CON-TAINER EXPRESS, 1838 Book Building, Detroit, Mich. 48226. Applicant's representative: Charles F. Warren, Esq., 1100 Connecticut Avenue NW., Washington, D.C. 20036. Authority sought to engage in operation, in interstate commerce, as a freight forwarder, through use of the facilities of common carriers by railroad, motor vehicle, water, and express, in the transportation of General commodities (except household goods as

defined by the Commission, unaccompanied baggage, and motor vehicles) moving in containers, from points in Michigan and Ohio, to points on the International Boundary line between the United States and Canada located in Michigan, restricted to export traffic having a subsequent movement by water

Note.—The purpose of this republication is to amend the restriction on the above commodities. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. FF 462, filed November 7, 1974, Applicant: MERCHANTS INTERNA-TIONAL, INC., 1616 First Street SW. Washington, D.C. 20024. Applicant's representative: Alan F. Wohlstetter, 1700 K Street NW., Washington, D.C. 20006. Authority sought to engage in operation in interstate commerce, as a freight forwarder, through use of the facilities of common carriers, by rail, motor, water, and express, in the transportation of Used household goods, unaccompanied baggage, and used automobiles, between points in the United States including Hawaii but excluding Alaska, restricted to the transportation of import-export traffic.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at Washington, D.C.

#### WATER CARRIER APPLICATIONS

No. W 431 (Sub-No. 13), filed October 21, 1974. Applicant: SIOUX CITY AND NEW ORLEANS BARGE LINES, INC., 10000 Old Olive Street Road, St. Louis, Mo. 63141. Applicant's representative: Edward K. Wheeler, 704 Southern Building, Washington, D.C. 20005. Authority sought to engage in operation, in interstate or foreign commerce as a common carrier by water in the transportation of General commodities, by non-self-propelled vessels with the use of separate towing vessels and by towing vessels in the performance of general towage, between ports and points along the Kaskaskia River, on the one hand, and, on the other, ports and points on other waterways which applicant is presently authorized to serve as set forth in its Seventh Amended Certificate in Docket No. W 431, served December 13, 1973.

Note.—Common control may be involved. If a hearing is deemed necessary, the applicant requests it be held at St. Louis, Mo.

By the Commission.

[SEAL] ROBERT L. OSWALD, Secretary.

[FR Doc.74-28340 Filed 12-4-74;8:45 am]

THURSDAY, DECEMBER 5, 1974 WASHINGTON, D.C.

Volume 39 ■ Number 235

PART II



# DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Social and Rehabilitation Service

VOCATIONAL REHABILITATION PROGRAMS

Implementation Provisions

Title 45-Public Welfare

CHAPTER IV—SOCIAL AND REHABILITA-TION SERVICE (REHABILITATION PRO-GRAMS), DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## VOCATIONAL REHABILITATION PROGRAMS

Implementation Provisions

In the Federal Register of May 28, 1974 (39 FR 18552) a notice of proposed rule making was published covering rehabilitation programs and activities authorized under the Rehabilitation Act of 1973 (94b. L. 93-112).

Part 401 of the proposed regulations covered those activities carried out by State vocational rehabilitation agencies to assist in the rehabilitation of physically and mentally disabled persons under State plans for vocational rehabilitation services. New requirements under the State plan included the submittal of an annual State plan including programming descriptions and the conduct of annual evaluations of the effectiveness of the State's vocational rehabilitation program. Among other new State plan requirements were the designation of the severely handicapped as the first priority in the selection of handicapped individuals to receive services, State agency policy consultation with those individuals with a special interest in the State's rehabilitation program, the development of a case record for each individual including an individualized written rehabilitation program prepared for each handicapped individual with the full participation of the individual being served, the provision of newly authorized vocational rehabilitation services such as telecommunications and post-employment services, and the full consideration of an individual's eligibility for similar benefits under any other program of assistance before vocational rehabilitation services are provided.

A newly authorized grant program for the innovation and expansion of vocational rehabilitation services was also included under Part 401.

Part 402 of the proposed regulations included requirements for the conduct of special purpose projects and other rehabilitation activities designed to extend and enrich the provision of vocational rehabilitation services to handicapped individuals. These included special projects and demonstrations providing vocational rehabilitation services and other services to the severely disabled and other handicapped individuals; grant programs designed primarily to assist rehabilitation facilities and sheltered workshops; grants and contracts for carrying out a broad range of rehabilitation research and rehabilitation training activities; assistance for the National Center for Deaf-Blind Youths and Adults; special activities designed to evaluate the effectiveness of programs and projects supported under the Act: and a special program of technical assistance consultation.

The notice of proposed rule making provided for the submittal of comments within a period of 30 days, ending June 27, 1974. All comments received prior to August 15 were carefully considered, however, and revisions to the proposed regulations were made on the basis of these comments.

More than 225 letters were received and these letters included more than 450 individual criticisms of specific sections of the proposed rules. Letters were received from administrative and other personnel of State vocational rehabilitation agencies; representatives of other State agencies with an interest in the physically and mentally disabled; representatives of national voluntary associations and organizations concerned with the delivery of rehabilitation services to the handicapped; educators; researchers; administrators and other personnel of community agencies and facilities serving the handicapped; Members of Congress, handicapped persons; and others interested in the public rehabilitation program.

Since the proposed regulations were so extensive in scope, the comments received from the public covered a very broad range of issues affecting the administration and conduct of vocational rehabilitation programs and activities. The most significant areas of comment and the Department's conclusions are as follows:

1. Several suggestions called for revising certain definitions which had been developed in § 401.1 for purposes of implementing the Rehabilitation Act of 1973.

It was pointed out that the definitions of "eligible" and "handicapped individual," for example, by distinguishing three separate eligibility criteria, did not appropriately carry out the intent of the Act that two of the criteria be linked in a manner to indicate that for each individual a physical or mental disability must constitute or result in a substantial handicap to employment if the individual is to be determined to be eligible for vocational rehabilitation services. The articulation of this relationship was seen as a significant aspect of assuring realization of the special priority mandated for the severely handicapped in the selection for service be realized. The Department, in response, has incorporated this revision into all affected definitions and other content of the regulations, as appropriate, in order to reflect statutory intent more accurately and facilitate the selection of the severely disabled for the delivery of service.

It was also pointed out in comments that the definition of "evaluation of rehabilitation potential" was cumbersome and did not fully reflect the concepts of the evaluation of rehabilitation potential contained in § 401.34, § 401.35, and § 401.-36 of the proposed regulations. It was noted that the evaluation of rehabilitation potential contained specific elements significant for purposes of either the preliminary diagnostic study, the thorough diagnostic study, or an extended evaluation of rehabilitation potential, and these distinct elements had not been adequately differentiated in the proposed definition.

In response, the definition has been revised to reorganize into separate elements those aspects of the evaluation of rehabilitation potential most significant to a preliminary diagnostic study, a theough diagnostic study, and an extense evaluation of rehabilitation potential.

Several comments pertained to the det. initions of "employability," "rehability." tion facility," "substantial handicap to employment" and "workshop." These comments generally held that the proposed definitions continue to focus service on only those handicapped persons for whom a vocational goal is feasible and exclude those persons who are m severely handicapped that a vocational objective cannot reasonably be proposed The omission of any special reference to the work activities center was seen as a specific example of this deficiency as was the absence of any special language designed to ensure the extension of vocational rehabilitation services to young children.

In response, it is noted that although the Act mandated priority in the provision of vocational rehabilitation services to severely handicapped individuals it does not eliminate the requirement for the establishment of vocational objectives and the achievement of vocational goals for the handicapped persons being served under the public rehabilitation program. Vocational rehabilitation services are directed towards the achievement of vocational goals and are made available to young people when they have reached an age at which vocational objectives may reasonably be planned. Similarly, the work activities center is considered to be a valuable therapeutic tool but cannot be considered to constitute an aspect of "employability" which has been defined in the proposed regulations within the widest possible latitude while fully reflecting the intent of the Act.

It is further noted that the Congres authorized a special comprehensive study under section 130 of the Act to focus of rehabilitation needs of those hands capped persons not eligible for vocational rehabilitation services under the service programs authorized elsewhere in the Act. The results of this study are expected to lead to the definition of programs of rehabilitation which might improve the ability of disabled persons not eligible for vocational rehabilitation services to live independently and function normally within their family and community.

2. Extensive objection was received concerning § 401.8 providing requirements that the administrator of the State agency devote his full time and efforts to the vocational rehabilitation program, or the vocational and other rehabilitation of the handicapped. It was noted that the proposed regulation was essentially a regulation which had been in effect for many years under the repealed Vocational Rehabilitation Act except that the proposed regulation eliminated a provision which enabled the Department to approve arrangements whereby the State administrator may

also be responsible for programs other

than the vocational rehabilitation program when such other programs are primarily concerned with handicapped persons. The comments expressed expectation that the omission of language providing for the establishment of such arrangements would seriously interfere with organizational structures which have been in effect for a number of years and would moreover have a very harmful effect on the administration of comprehensive service programs for handicapped persons, especially the blind.

The Department, having considered the numerous comments on this regulation, has revised this regulation to follow the statutory intent of the Rehabilitation Act of 1973 more closely than had the regulation previously in effect under the Vocational Rehabilitation Act. Under the Rehabilitation Act of 1973 State plans for vocational rehabilitation services must be administered either by a State agency primarily concerned with vocational rehabilitation, or vocational and other rehabilitation of handicapped individuals, or by an organizational unit of a multiprogram State agency when the organisational unit in such cases is primarily concerned with vocational rehabilitation. or vocational and other rehabilitation of handicapped individuals. The administrator of the State agency or the organirational unit is required to be a fulltime administrator. He is not required under the Act, however, to devote his full time and efforts to the vocational rehabilitation program, or the vocational and other rehabilitation of handicapped individuals, as had been required under the proposed regulations. It is the State vocational rehabilitation agency or the vocational rehabilitation organizational unit which must be primarily concerned with vocational rehabilitation, or vocational and other rehabilitation of handicapped individuals. The State agency or organizational unit may be concerned with other matters, in addition to the recational rehabilitation or the vocational and other rehabilitation of handicapped individuals, so long as those additional concerns do not become primary within the State agency's or organizational unit's functions. The Department believes that the revised regulation clarihes and closely follows statutory intent concerning the State administrator.

2 Comments concerning § 401.14 noted that certain State agency specialist functions were too important in implementing activities required under the Act for statement of the specified in regulations. Medical consultants, rehabilitation facility specialists, staff development specialists, and planning and evaluation staff were specifically suggested for identification in the requirements for State specificalists being imposed on such specialists by the Act.

This suggestion was considered to be all in the light of the expanded State agency responsibilities under the Act, and he regulation has been revised accordingly.

4. Comments concerning § 401.16 complained that although the Act places great emphasis on expanding services to the severely handicapped and although the ability to achieve such expansion depends, to a great extent, on an appropriate State agency staff development program, the proposed regulation is inadequate in defining a staff development program capable of ensuring the staff expertise and skill necessary to enable a high quality of service to the severely disabled.

The Department has considered this suggestion to be valid and has revised the regulation to reflect the scope of an effective staff development program.

5. Criticisms concerning \$401.18 related to the fact that the State vocational rehabilitation agencies were not required to utilize private community agencies and facilities in the conduct of Statewide studies and evaluations and, in addition, were not specifically required to share the reports of the studies and evaluations with others in the State. It was felt that since private agencies have had the most extensive experience in working with the severely disabled, their full participation in the Statewide studies and evaluations was essential.

This regulation has been revised to ensure that reports of State agency Statewide studies and evaluations will be made available to the public. The Department is confident that, to the greatest extent feasible, State agencies will be consulting with voluntary agencies in carrying out the Statewide studies and evaluations and a specific requirement in this regard is not considered necessary.

6. Some objection was received in response to the omission of a modified residence requirement in § 401.33. Concern has been expressed that handicapped persons living within commuting distance from States providing more desirable programs of service would request service from those States rather than from the States, or even the neighboring countries, in which they reside.

The Department recognizes that the omission of a residence requirement may become a problem in certain geographical areas but believes that recent Court decisions concerning residence requirements make unsupportable a regulatory limitation for purposes of the vocational rehabilitation program. Additional assistance to State agencies in dealing with this problem will be provided in program guideline materials.

7. Comments were received concerning the utilization of "certified audiologists" in the evaluation of rehabilitation potential under § 401.35 and in the prescription of sensory aids and devices under § 401.40. The comments generally requested that the term "certified audiologist" be clarified to indicate a health professional licensed or certified in accordance with State laws or regulations. Reference was made to Senate Report No. 93–318 submitted by the Committee on Labor and Public Welfare which stated that sensory and other technological aids and devices should be pre-

scribed by appropriate licensed health professionals. Other comments, however, objected to any regulatory language which might appear to restrict the utilization of hearing aid specialists within the public rehabilitation program.

In the light of Congressional intent as stated in legislative history of the Rehabilitation Act of 1973 and in light of correspondence received pursuant to the proposed regulations, the regulatory language has been revised to indicate that physicians skilled in diseases of the ear, as well as audiologists licensed or certified in accordance with State laws or regulations, may perform any required evaluations of hearing loss and may prescribe needed hearing aids. Insofar as hearing aids are concerned, a special Intradepartmental Task Force on Hearing Aids has been established and its findings will form the basis for any future regulatory revisions in this area. Hearing aid specialists are recognized as important providers of rehabilitation service and additional definition of the role of these specialists in the rehabilitation program will be provided in program guideline materials.

8. Several comments were received concerning the individualized written rehabilitation program described under § 401.38 of the proposed regulations. One group of comments strongly objected to the inclusion of case record material including medical records within the individualized written rehabilitation program since accessibility of these records to the client is considered to have a potentially negative effect on client progress. Moreover, it was felt that the proposed regulation required the inclusion of material that was, in fact, extraneous to the individualized written rehabilitation program, since the written program is intended to be a comprehensive statement of a plan of action for a handicapped individual rather than a record of general administrative items.

Objection was also strongly raised as to the absence of any specific limitation on the number of annual or other periodic reviews the State agency is required to make of those persons whose services had been terminated due to a determination that the achievement of a vocational goal was not possible. An indefinite number of such reviews was seen in these comments as eventually becoming an unusually heavy administrative burden as the backlog of such persons accumulates and increases in number each year.

Still a third group of comments concerning this proposed regulation suggested that the views of the client, his parent, guardian, or other representative concerning the termination of services be recorded in the individualized written rehabilitation program.

The Department considers the criticism relative to the inclusion of medical and other case record data in the individual-ized written rehabilitation program to be valid. Since administrative and professional practice would require the maintenance of an overall case record, the

regulations have been revised to include the maintenance of an overall case record for each client and to establish the individualized written rehabilitation program as that major element of the case record which is developed jointly with the client to define and evaluate his rehabilitation plan of action and his progress towards achieving these goals and objectives. A copy of the individualized written rehabilitation program will be provided to each individual receiving services. A new section § 401.38, has been added to cover those items necessary for counselor and agency use within a case record but not appropriate for inclusion in the individualized written rehabilitation program and the regulation covering the individualized written rehabilitation program, previously designated § 401.38 has been renumbered as § 401.39.

No limitation on the number of periodic reviews has been established in the revised regulations. It was apparent that the statutory intent of the Rehabilitation Act is that such limitation not be established although some State agency discretion in administering this provision may be indicated. Program guidelines will assist the States in implementing this provision and those related provisions where periodic State agency reviews are required of individuals who had at one time been provided vocational rehabilitation services.

The comments requesting the recording of the views of the client or his representative concerning the termination of services were considered consistent with concepts reflected in the Act and the regulation has been revised accordingly.

9. Several comments suggested that \$ 401.42 (now redesignated \$ 401.43) of the .proposed regulations concerning standards for facilities and providers of services be revised to require that standards developed by certain organizations such as the Commission on Accreditation of Rehabilitation Facilities, the National Accrediting Council for Agencies for the Blind, and the Accreditation Council for Facilities for the Mentally Retarded be utilized and applied in a formal manner.

The Department, in its consideration of these suggestions, determined that specific standards to be applied by State agencies under the State plan constitute State standards and are not, therefore, properly defined by the Department. Program guidelines will be issued concerning this matter, however, and these guidelines will fully take into consideration those standards developed by recognized accrediting organizations.

10. Comments were received objecting to the definition of "institution of higher education" implied in § 401.71(a) (3) of the proposed regulations. It was recognized that the proposed regulation appeared to be based primarily on the scope and applicability of the Basic Educational Opportunity Grant program. Since the Basic Educational Opportunity Grant program is, in fact, directed towards "post-secondary educational institutions" rather than institutions of higher

education, however, the extension of requirements of this program to the Rehabilitation Act of 1973 was considered inappropriate. The inclusion of vocational schools, technical schools and hospital schools of nursing in § 401.71 was criticized for going beyond the clearly stated Congressional intent that alternative funding sources be explored for those handleapped individuals being trained in "institutions of higher education" as the term "institution of higher education" is generally understood.

The Department considers the criticism on this issue to be justified and the regulation has been revised accordingly.

11. A number of comments were received criticizing the \$200,000 limitation placed on the acquisition of an existing building for rehabilitation facility purposes under the "establishment of a rehabilitation facility" authority under § 401.73 b) (1). It was felt that this limitation would prevent or at least inhibit the development of rehabilitation facilities throughout the country.

In response, the limitation imposed in § 401.73 is not designed to prohibit Federal financial participation in acquisition of existing buildings for rehabilitation facility purposes. This limitation is designed only to limit the use of the "establishment of a rehabilitation facility" authority where the acquisition of a building costing more than \$200,000 is concerned. An existing building may be acquired for rehabilitation facility purposes under the "construction of a rehabilitation facility" authority regardless of whether the cost of the building is less than \$200,000 or in excess of \$200 -000. The limitation on the "establishment" authority is designed to preserve State agency funds for the provision of direct vocational rehabilitation services to the handicapped. Because of the importance of ensuring the availability of these funds and because the acquisition of an existing building for developing a rehabilitation facility is possible under alternative authority, the regulation has not been revised.

12. An objection was also registered concerning the possible imposition of a limitation on the amount of Federal funds which might be made available under \$401.80 tb) (4) for the construction or establishment of a rehabilitation facility when contributions have been made by private agencies, organizations, or individuals.

The Department agrees that this discretionary authority is no longer necessary and the regulation has been revised accordingly.

13. Comments were received objecting to the establishment of specific project periods for project grant activities under Part 402, especially for certain rehabilitation research projects under Subpart D.

The Department notes that discretionary grant support is awarded in order to fulfill special purpose objectives over a specified period of time. Departmental grants administration policies require that in the case of discretionary grants, project periods be clearly identified when the original grant is awarded. The proposed regulations established for all categorical grant programs the maximum project period which may be awarded for any individual project grant. The regulations do not preclude, however, the awarding of additional support of any project beyond the initial project period provided that additional support is requested, evaluated and approved on the same basis as an initial application. In view of the concern expressed, the affected regulation has been revised and clarified.

14. A substantial number of comments criticized § 402.6 concerning the peer review of rehabilitation research and rehabilitation training activities. It was pointed out that: the proposed Rehabilitation Research and Training Policy Advisory Group would be concerned with general matters of policy and did not in fact constitute a peer review group; the Research and Training Policy Advisory Group appeared to have some responsibility for rehabilitation training matters but the regulation did not actually reflect a training responsibility; coordination was required between a top level policy advisory group at the Social and Rehabilitation Service and peer review groups at NIH, even though the latter groups were organized at a different level for an entirely different purpose: insofar as actual peer review is concerned, group review, which was recognized to be the major strength of the peer review approach was not provided for: applications were required to be evaluated for consistency to an "approved research and demonstration plan" but there is no indication of what such a research and demonstration plan might be; Federal employees were to be utilized for peer review and the peer review system was not limited to non-Federal employees; no references were made to the special projects and demonstrations which should also merit peer review; and the proposed regulation failed to provide for handicapped persons to assist in recommending research and training policy.

mending research and training policy. In the light of the extensive criticism of this proposed regulation, revisions were made to provide for a peer review process focusing on the scientific and technical review of applications for Federal assistance. Provision in the revised regulation has been made for the utilization of peer review groups composed of non-Federal employees, the extension of the peer review approach to special project and demonstration activities with implication for research and training, and the participation of handicapped persons in the general policy advisors group to be established.

15. Comments were received criticizing the requirements of § 402.62 (b) that each Rehabilitation Research and Training Center program reflect only a single specific core area of research and that only the training of research personnel be provided for within Research and Training Centers. These requirements were seen as being too limiting and impossibe on the Centers unwise restrictions on the scope of the research and training which might be conducted.

The Department had intended the "core area" or research within a Rehabilitation Research and Training Center to be a broad area of research within which Center programs might define a number of distinct but related research activities. In view of the expressed concern, however, the regulation has been revised to eliminate this requirement. The limitation on the training of research personnel is derived directly from the statute, on the other hand, and revision of this element of the regulation has not been made. It is felt that the environment of scientific inquiry found in a Research and Training Center is unusually well suited to the training of professional rehabilitation workers committed to the development and utilization of rehabilitation research.

16. Comments were received concerning the requirement in § 402.72(a) that teaching costs of long-term training projects increase progressively in each succeeding grant year with a goal that personnel costs be totally absorbed by the grantee at the end of the project period. This requirement was felt to be unreasonable in the case of certain continuing education and non-academic training activities in which ongoing and permanent training resources at the institution are not necessarily being established

The Department considers the proposed regulation to reflect sound policy in the administration of a categorical training grant program. It is recognized. however, that a number of non-academic and other training projects of a highly specialized nature cannot reasonably be

expected to absorb full costs by the end of the project period and the regulation has been revised, therefore, to reflect the needs of these special training situations. 17. Numerous comments were received

concerning the prohibition in § 402.76 that individuals not be awarded rehabilitation traineeships if they are concurrently receiving educational allowances from any other Federal, State or local public or voluntary agency except for guaranteed or other Federally assisted student loans or benefits available under the Veterans Administration. This requirement was seen as placing an unnecessary burden on both the students and the educational institutions partictpating in rehabilitation training activi-

The proposed regulation, as published in the FEDERAL REGISTER, was intended to reflect long-standing Social and Rehabilitation Service policy concerning the awarding of traineeships to individual students. Certain language found in the "Social and Rehabilitation Service Grants Administration Policies" was omitted from the regulation, however, and this omission was the source of contern and confusion. The regulation has been revised to clarify that the prohibition on concurrent awards applies only when the award has been based on a conflicting employment commitment which has been made by the student

18. Comments were received criticizing the omission of any reference to the

Commissioner of the Rehabilitation Services Administration as the administering officer responsible for the Rehabilitation Act of 1973. It was felt that the Rehabilitation Act of 1973 had called special attention to a responsibility and accountability for program administration at the Commissioner's level and this direction is inadequately reflected in the regulations.

The Department considers the Secretary of Health, Education, and Welfare to be the primary administering authority for the Rehabilitation Act of 1973. As is noted in the Act, however, the principal agency for carrying out the programs and activities authorized under Titles I, II, and III of the Act is the Rehabilitation Services Administration within the Department which is headed by the Commissioner. In view of this, the regulations have not been revised.

Certain additional clarifying revisions, in addition to those suggested in public comments, have also been made. Clarification has been provided to indicate, for example, that the financial need requirements established at State option and requirements for the consideration of similar benefits provided for under § 401.44 of the proposed regulations (now redesignated § 401.45) apply to those handicapped individuals receiving an extended evaluation of rehabilitation potential as well as to those determined to be eligible by the State agencies. § 401.31 has been revised to clarify that the order of selection for services for any individual is established after a preliminary diagnostic study has been completed

In addition, Subpart E of Part 401 covering vocational rehabilitation services for supplemental security income recipients and Part 409 covering the vending stand program for the blind on Federal and other property have been included in order to combine in a single publication statutorily mandated responsibilities of State vocational rehabilitation agencies. Subpart E of Part 401 had been previously published in the FEDERAL REGISTER of July 10, 1974.

Federal financial assistance extended under this chapter is subject to the regulations in 45 CFR Part 80, issued by the Secretary of Health, Education, and Welfare, and approved by the President, to effectuate the provisions of section 601 of the Civil Rights Act of 1964 (U.S.C. 2000d). Federal financial assistance is also subject to the provisions of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) concerning nondiscrimination of handicapped persons under Federal grants.

After promulgation of these regulations, guidelines will be issued by the Commissioner. These guidelines will be designed to provide the additional information and technical assistance necessary to assure full implementation of rehabilitation programs in conformity with the Act and the regulations.

Accordingly, the regulations as revised are hereby adopted.

Chapter IV of Title 45 of the Code of Federal Regulations is amended by revising Subparts A, B, C, D, E, and F of Part 401; by adding a new Part 402; and by deleting Parts 403, 404, 405, 406, 407 and 408, and revising Part 409, as follows:

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AUTHORITY: Sec. 400(b), 87 Stat. 386 (29 U.S.C. 780(b)); and sec. 1102, 49 Stat. 647 (42 U.S.C. 1802).

#### Subpart A-Definitions

§ 401.1 Terms.

Unless otherwise indicated in this part, the terms below are defined as follows: (a) "Act" means the Rehabilitation

Act of 1973 (29 U.S.C. ch. 16).

(b) "Blind" means persons who are blind within the meaning of the law relating to vocational rehabilitation in each State.

(c) "Construction of a rehabilitation facility" means:

(1) The construction of new buildings, the acquisition of existing buildings, or the expansion, remodeling, alteration or renovation of existing buildings which are to be utilized for rehabilitation facility purposes; or

(2) The acquisition of initial equipment of such new, newly acquired, newly expanded, newly remodeled, newly altered, or newly renovated buildings

(d) "Criminal act" means any crime, including an act, omission, or possession under the laws of the United States or a State or unit of general local government which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication, or otherwise, the person engaging in the act, omission or possession was legally incapable of committing a crime.

(e) "Department" means the Department of Health, Education, and Welfare (f) "Eligible" or "eligibility" when

used in relation to an individual's qualification for vocational rehabilitation services, refers to a certification that: (1) The individual has a physical or

mental disability which for such individual constitutes or results in a substantial handicap to employment; and

(2) Vocational rehabilitation services may reasonably be expected to benefit the individual in terms of employability. (g) "Employability" refers to a deter-

mination that the provision of vocational rehabilitation services is likely to enable an individual to enter or retain employment consistent with his capacities and abilities in the competitive labor market; the practice of a profession; self-employment; homemaking; farm or family work (including work for which payment is in kind rather than in cash); sheltered employment; homebound employment; or other gainful work.

(h) "Establishment of a rehabilitation facility" means:

(1) The acquisition, expansion, remodeling, or alteration of existing buildings, necessary to adapt them to rehabilitation facility purposes or to increase their effectiveness for rehabilitation facility purposes;

(2) The acquisition of initial equipment for such buildings for such purposes; or

(3) The initial staffing of a rehabilitation facility, for a period not to exceed 4 years and 3 months.

(i) "Evaluation of rehabilitation potential" means, as appropriate, in each

(1) A preliminary diagnostic study to determine: (i) That an individual has a physical or mental disability which for

such individual constitutes or results in a substantial handicap to employment and (ii) that vocational rehabilitation services may reasonably be expected to benefit the individual in terms of employability, and that the individual is eligible therefore for vocational rehabilitation services:

(2) A thorough diagnostic study consisting of a comprehensive evaluation of pertinent factors, which bear on the individual's handicap to employment and rehabilitation potential, and an appraisal of the individual's work behavior and ability to develop work patterns suitable for successful job performance in order to determine which vocational rehabilitation services may be of benefit to the individual in terms of employability;

(3) Any other goods or services provided for the purpose of ascertaining the nature of the handicap and whether it may reasonably be expected that the individual can benefit from vocational rehabilitation services in terms of employability;

#### (4) Referral;

(5) The provision of vocational rehabilitation services to an individual for a total period of extended evaluation not in excess of 18 months for the purpose of determining whether such individual is a handicapped individual for whom a vocational goal is feasible, including the initiation and continuing development of an individualized written rehabilitation program, and a periodic assessment of the results of the provision of such services to ascertain whether an individual is an eligible individual for whom a vocational goal is feasible.

(j) "Family member" or "member of the family" means any relative by blood or marriage of a handicapped individual and other individuals living in the same household with whom the handicapped individual has a close interpersonal relationship.

(k) "Handicapped individual" means an individual

(1) Who has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment; and

(2) Who is expected to benefit in terms of employability from the provision of vocational rehabilitation services, or for whom an extended evaluation of rehabilitation potential is necessary for the purpose of determining whether he might benefit in terms of employability from the provision of vocational rehabilitation services.

(I) "Local agency," except where the context indicates otherwise, means an agency of a unit of general local government or of an Indian tribal organization (or combination of such units or organizations) which has the sole responsibility under an agreement with the State agency to conduct a vocational rehabilltation program in the locality under the supervision of such State agency in accordance with the State plan.

(m) "Maintenance" means payments. not exceeding the estimated cost of substance and provided at any time from the date of initiation of vocational rehabilitation services through the provision of post-employment services, to cover a handicapped individual's basic living expenses, such as food, shelter. clothing, and other subsistence expenses necessary to derive the full benefit of other vocational rehabilitation services being provided in order to achieve such individual's vocational rehabilitation objective or to enable an extended evaluation of such individual's rehabilitation potential.

(n) "Management services and supervision" for small business enterprises includes inspection, quality control, consultation, accounting, regulating, in-service training, and other related services provided on a systematic basis to support and improve small business enterprises operated by severely handicapped individuals. "Management services and supervision" does not include those services or costs which pertain to the ongoing operation of the individual business enterprise after the initial establishment period

(o) "Nonprofit," as applied to a rehabilitation facility, agency or organization, means a rehabilitation facility, agency, or organization owned and operated by one or more nonprofit corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual and the income of which is exempt from taxation under section 501(c) of the Internal Revenue Code of 1954.

(p) "Occupational license" means any license, permit or other written authority required by a State, city or other governmental unit to be obtained in order to enter an occupation or enter a small

(q) "Outcome and service goals" means those objectives, established by the State agency and consistent with those set by the Secretary in his instructions with respect to the annual State plan, which are measurable in terms of service expansion or program improvement in specified program areas, and which the State agency plans to

achieve during a specified period of time. (r) "Physical and mental restoration services" means those services which are necessary to correct or substantially modify within a reasonable period of time a physical or mental condition which is stable or slowly progressive,

and includes:

(1) Medical or corrective surgical treatment:

- (2) Diagnosis and treatment for mental or emotional disorders by a physician skilled in the diagnosis and treatment of such disorders or by a psychologist licensed or certified in accordance with State laws and regulations;
  - (3) Dentistry;

(4) Nursing services;

(5) Necessary hospitalization (either inpatient or outpatient care) in connection with surgery or treatment and clinic services;

(6) Convalescent or nursing home care:

(7) Drugs and supplies;

(8) Prosthetic, orthotic or other assistive devices essential to obtaining or retaining employment;

(9) Eyeglasses and visual services;

(10) Podiatry;

(11) Physical therapy; (12) Occupational therapy;

- (13) Speech or hearing therapy;
- (14) Psychological services; (15) Medical or medically related social work services;
- (16) Treatment of either acute or chronic medical complications and emergencies which are associated with or arise out of the provision of physical and mental restoration services; or are inherent in the condition under treat-
- (17) Special services for the treatment of individuals suffering from end-stage renal disease, including transplantation. dialysis, artificial kidneys, and supplies; and
- (18) Other medical or medically related rehabilitation services. (The provision that the condition is stable or slowly progressive does not apply when physical and mental restoration services are provided under an extended evaluation of rehabilitation potential.)
- (s) "Physical or mental disability" means a physical or mental condition which materially limits, contributes to limiting or, if not corrected, will probably result in limiting an individual's activities or functioning.
- (t) "Public safety officer" means a person serving the United States or a State or unit of general local government, with or without compensation, in any activity pertaining to:

(1) The enforcement of the criminal laws, including highway patrol, or the maintenance of civil peace by the Na-tional Guard or the Armed Forces;

(2) A correctional program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners,

probationers, or parolees;

(3) A court having criminal or juve nile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, deprobationers, prisoners, fendants. parolees:

(4) Firefighting, fire prevention, or

emergency rescue missions.

(u) "Rehabilitation facility" means a facility which is operated for the primary purpose of providing vocational rehabilitation services to handicapped individuals, and which provides singly or in combination one or more of the following services for handicapped individuals:

(1) Vocational rehabilitation services which shall include under one management, medical, psychological, social, and

vocational services;

(2) Testing, fitting, or training in the use of prosthetic and orthotic devices; (3) Prevocational conditioning

recreational therapy; (4) Physical and occupational ther-

(5) Speech and hearing therapy;

(6) Psychological and social services; (7) Evaluation of rehabilitation po-

tential;

(8) Personal and work adjustment; (9) Vocational training with view toward career advancement (in combination with other rehabilitation services);

(10) Evaluation or control of specific disabilities;

(11) Orientation and mobility services and other adjustment services to the blind; and

(12) Transitional or extended employment for those handicapped individuals who cannot be readily absorbed in the competitive labor market: Provided, That all medical and related health services must be prescribed by, or under the formal supervision of, persons licensed to prescribe or supervise the provision of such services in the State.

(v) "Secretary," except when the context indicates otherwise, means the Secretary of Health, Education, and Welfare.

(w) "Severely handicapped individual" means a handicapped individual.

(1) Who has a severe physical or men tal disability which seriously limits his functional capacities (mobility, communication, self-care, self-direction, work tolerance, or work skills) in terms of employability; and

(2) Whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time, and

(3) Who has one or more physical or mental disabilities resulting from amputation, arthritis, blindness, cancer, cerebral palsy, cystic fibrosis, deafness, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculo-skeletal disorders, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia, and other spinal cord conditions, sickle cell anemia, and end-stage renal disease, or another disability or combination of disabilities determined on the basis of an evaluation of rehabilitation potential to cause comparable substantial functional limitation.

(x) "Small business enterprise" means a small business operated by severely handicapped individuals under the management and supervision of the State agency or its nominee. Such businesses include only those selling, manufacturing, processing, servicing, agricultural, and other activities which are suitable and practical for the most effective utilization of the skills and aptitudes of severely handicapped individuals, and provide gainful employment or self-employment commensurate with the time devoted by the operator or operators to the business, the cost of establishing the business, and other factors of an economic nature.

(y) "State" means the several States. the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, and the Trust Territory of the Pa-

cific Islands.

(z) "State agency" or "State vocational rehabilitation agency" means the sole State agency designated to administer (or supervise local administration of) the State plan for vocational rehabilitation services. The term includes the State agency for the blind, if designated as the sole State agency with respect to that part of the plan relating to the vocational rehabilitation of the blind. For purpose of American Samoa, the term means the Governor of American Samoa and for purpose of the Trust Territory of the Pacific Islands, the term means the High Commissioner of the Trust Territory of the Pacific Islands.

(aa) "State plan" means the annual State plan for vocational rehabilitation services, or the vocational rehabilitation services part of a consolidated rehabilitation plan, which includes the annual State plan for vocational rehabilitation services and the State's plan for its program for persons with developmental disabilities developed under the Developmental Disabilities Services and Facili-

ties Construction Act.

(bb) "Substantial handicap to employment" means that a physical or mental disability (in light of attendant medical, psychological, vocational, educational, and other related factors) impedes an individual's occupational performance, by preventing his obtaining. retaining, or preparing for employment consistent with his capacities and abilities.

(cc) "Transportation" means necessary travel and related expenses including subsistence during travel (or per diem payments in lieu of subsistence) in connection with transporting handicapped individuals and their attendants or escorts for the purpose of providing vocational rehabilitation services under the State plan and may include relocation and moving expenses necessary for the achievement of a vocational rehabilitation objective.

(dd) "Visual services" means visual training, and the examination and services necessary for the prescription and provision of eyeglasses, contact lenses, microscopic lenses, telescopic lenses, and other special visual aids, as prescribed by a physician skilled in diseases of the eye or by an optometrist, whichever the in-

dividual may select.
(ee) (1) "Vocational rehabilitation services," when provided to an individual.

(i) Evaluation of rehabilitation potential, including diagnostic and related services, incidental to the determination of eligibility for, and the nature and scope of, services to be provided;

(ii) Counseling, guidance, and referral services;

(iii) Physical and mental restoration

- services;
  (iv) Vocational and other training services, including personal and vocational adjustment, books, tools, and other
- materials: (v) Maintenance; (vi) Transportation;

(vii) Services to members of a handicapped individual's family when such services are necessary to the adjustment or rehabilitation of the handicapped individual:

(viii) Interpreter services for the deaf; (ix) Reader services, rehabilitation teaching services, and orientation and mobility services for the blind:

(x) Telecommunications, sensory, and other technological aids and devices;

(xi) Recruitment and training services for handicapped individuals to provide them with new employment opportunities in the fields of rehabilitation, health, welfare, public safety, and law enforcement, and other appropriate public service employment:

(xii) Placement in suitable employ-

(xiii) Post-employment services necessary to assist handicapped individuals

to maintain suitable employment; (xiv) Occupational licenses, equipment, and initial stocks and supplies; and

(xv) Such other goods and services which can reasonably be expected to benefit a handicapped individual in terms

of his employability.
(2) "Vocational rehabilitation services," when provided for the benefit of groups of individuals, also includes:

- (i) In the case of any type of small business enterprise operated by individuals with the most severe handicaps under the supervision of the State agency, management services, and supervision and acquisition of vending facilities or other equipment and initial stocks and supplies:
- (ii) The establishment of a rehabilitation facility;
- (iii) The construction of a rehabilitation facility; and
- (iv) The provision of other facilities and services which promise to contribute substantially to the rehabilitation of a group of individuals but which are not related directly to the individualized written rehabilitation program of any one handicapped individual.
- (ff) "Works of art" means those items which may be in the nature of fixtures. that are incorporated in facilities primarily because of their esthetic value. The cost of a work of art which is in the nature of a fixture shall be the estimated additional cost of incorporating those special esthetic features which exceed the general requirements of excellence of architecture and design.

(gg) "Workshop" means a rehabilitation facility, or that part of a rehabilitation facility, engaged in a production or service operation and which is operated for the primary purpose of providing gainful employment or professional services to the handicapped as an interim step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market or during such time as employment opportunities for them in the competitive labor market do not exist.

Subpart B-State Plans for Vocational Rehabilitation Services

STATE PLAN CONTENT; ADMINISTRATION § 401.2 The State plan: General requirements.

(a) Purpose. In order for a State to be eligible for grants for any fiscal year from the allotments of funds under title I of the Act, it shall submit for such fiscal year a State plan meeting Federal requirements. The State plan shall provide for financial participation by the State or if the State so elects, by the State and local agencies jointly, and shall provide that it will be in effect in all political subdivisions of the State, except as specifically provided in § 401.11 (Shared funding and administration of special joint projects or programs) and § 401.12 (Waiver of Statewideness)

(b) Form and content. The State plan shall contain, in the form prescribed by the Secretary, a description of the State's vocational rehabilitation program, the plans and policies to be followed in carrying out the program, and such other information prescribed by the Secretary. The State plan shall consist of:

(1) A part providing detailed commitments appropriate to the requirements of the Act and all regulations, policies and procedures established by the Secretary. which commitments shall be amended or reaffirmed annually, and

(2) A part containing a fiscal year programming description, which shall be submitted annually and which shall be based on the findings of the continuing Statewide studies (§ 401.18), the annual evaluation of the effectiveness of the State's program in meeting established goals and priorities (§ 401.18), and other pertinent reviews and studies: Such annual programming description shall in-

(i) Changes in policy resulting from the continuing Statewide studies and the annual evaluation of the effectiveness of the program;

(ii) Estimates of the number of handicapped individuals who will be served with funds provided under the Act;

(iii) A description of the methods used to expand and improve services to the most severely handicapped;

- (iv) A description of the order of selection (§ 401.31) of individuals to whom vocational rehabilitation services will be provided (unless the State agency demonstrates that it is serving all eligible handicapped individuals who apply); and
- (v) A statement of the general outcome and service goals to be achieved for handicapped individuals in each priority category within the order of selection in effect in the State and the time within which such goals may be achieved.
- (c) Separate part relating to rehabilitation of the blind. If a separate State agency for the blind administers or supervises the administration of that part of the State plan relating to the rehabilitation of the blind, such part of the

State plan shall meet all requirements as to submission, amendment, and content prescribed by the Act and this part, as though it were a separate State plan.

(d) Consolidated rehabilitation plan. The State may elect to submit a consolidated rehabilitation plan which includes the State plan for vocational rehabilitation services and the State's plan for its program for persons with developmental disabilities as developed under the Developmental Disabilities Services and Facilities Construction Act: Provided, however, That the State planning and advisory council for developmental disabilitles and the agency or agencies administering such State's program for persons with developmental disabilities have concurred in the submission of such a consolidated rehabilitation plan. A consolidated rehabilitation plan must comply, and be administered in accordance with, this Act and the Developmental Disabilities Services and Facilities Construction Act. If the Secretary finds that all such requirements are satisfied, he may approve the consolidated rehabilitation plan to serve in all respects as the substitute for the separate plans which would otherwise be required with respect to each program included therein, or he may request the State to submit separate plans for each program.

(e) Amendment. The State plan shall provide that it will be amended whenever necessary to reflect any material change in any applicable phase of State law, organization, policy, or agency operations which affects the administration of the State plan. Such amendments shall be submitted before they are put into effect or within a reasonable time

thereafter.

§ 401.3 Review of State plan by Governor.

The State plan shall be submitted to the State Governor for his review and comments, and shall provide that the Governor will be given an opportunity to review and comment on all amendments and long-range program planning projections or other periodic reports, except for periodic statistical or budget and other fiscal reports. The Office of the Governor will be afforded a period of 45 days in which to review such material. Any comments made will be transmitted to the Department with the documents.

§ 401.4 State plan submittal and approval.

(a) The State plan shall be submitted for approval within 90 days following the effective date of this part, and for each fiscal year thereafter, no later than May 1 of the year preceding the fiscal year for which the State plan is submitted. Any State plan or amendment meeting the requirements of the Act and of this part shall be approved, except as provided under § 401.2(d) in the case of a consolidated rehabilitation plan.

(b) No State plan, or modification thereof, shall be finally disapproved without first affording the State reasonable notice and opportunity for a hearing.

§ 401.5 Withholding of funds.

(a) When withheld. When after reasonable notice and opportunity for hearing to the State agency, it is found that:

(1) The State plan, or the vocational rehabilitation services part of the consolidated rehabilitation plan, has been so changed that it no longer compiles with the requirements of section 101(a) of the Act. or

- (2) In the administration of the State plan, or the vocational rehabilitation services part of the consolidated rehabilitation plan, there is a failure to comply substantially with any provision of such plan, further payments under section 111 or 121 may be withheld, suspended, or limited as provided by section 101(c) of the Act. The State agency will be notified of the decision made.
- (b) Judicial review. The decision to withhold, suspend, or limit payments described in paragraph (a) of this section may be appealed to the U.S. district court for the district in which the capital of the State is located. The court will review the action on the record in accordance with the provisions of Chapter 7 of Title 5, United States Code.
- (c) Informal discussions. Hearings described in paragraph (a) of this section will not be called until after reasonable effort has been made to resolve the questions involved by conference and discussion with State officials. Formal notification of the date and place of a hearing does not foreclose further negotiations with State officials.

§ 401.6 State agency for administration.

(a) Designation of sole State agency. The State plan shall designate a State agency as the sole State agency to administer the State plan, or to supervise its administration in a political subdivision of the State by a sole local agency. In the case of American Samoa, the State plan shall designate the Governor; in the case of the Trust Territory of the Pacific Islands, the State plan shall designate the High Commissioner.

(b) Designated State agency. The State plan shall provide that the designated State agency, except for American Samoa and the Trust Territory of the Pacific Islands, and except for a designated State agency for the blind as specified in paragraph (c) of this section, shall be:

(1) A State agency primarily concerned with vocational rehabilitation, or vocational and other rehabilitation of handicapped individuals; such agency must be an independent State commission, board, or other agency, the major function of which is vocational rehabilitation, or vocational and other rehabilitation, of handicapped individuals with authority, subject to the supervision which derives from the Office of Governor, to define the scope of the program within the provisions of State and Federal law, and to direct its administration without external administrative controls: or

(2) The State agency administering or supervising the administration of edu-

cation or vocational education in the State; or

(3) A State agency which includes at least two other major organizational units, each of which administers one or more of the State's major programs of public education, public health, public welfare, or labor.

(c) Designated State agency for the blind. Where the State commission for the blind or other agency which provides assistance or services to the adult blind is authorized under State law to provide vocational rehabilitation services to such individuals, such agency may be designated as the sole State agency to administer the part of the plan under which vocational rehabilitation services are provided for the blind or to supervise the administration of such part in a political subdivision of the State by a sole local agency.

(d) Authority. The State plan shall set forth the authority under State law for the administration or supervision of the administration of the program by the sole State agency, and the legal basis for administration by sole local rehabilitation agencies, if applicable. The State plan shall provide that the State agency shall submit a list of all laws and interpretations thereof by appropriate State officials, directly pertinent to the basic authority and organization for administration or supervision of the vocational rehabilitation program.

(e) Responsibility for administration. The State plan shall provide that all decisions affecting eligibility for, and the nature and scope of vocational rehabilitation services to be provided, will be made by the State agency through its organizational unit, or by a local agency under its supervision, and that this responsibility will not be delegated to any other agency or individual.

(f) Designation of a new State agency.

A new State plan must be submitted within 90 days following the designation

of a new State agency.

§ 401.7 Organization of the State agency.

(a) Organization. The State plan shall describe the organizational structure of the State agency, including a description of organizational units, the programs and functions assigned to each, and the relationships among such units within the State agency. Such descriptions shall be accompanied by organizational charts reflecting;

(1) The relationship of the State agency to the Governor and his office and to other agencies administering major programs of public education, public health, public welfare, or labor of parallel stature within the State government, and

(2) The internal structure of the State agency. The organizational structure shall provide for all the vocational rehabilitation functions for which the State agency is responsible, for clear lines of administrative and supervisory authority, and shall be suited to the size of the vocational rehabilitation program and the geographic areas in which the program must operate.

(b) Organizational unit. Where the designated State agency is of the type specified in \$401.6(b)(2) or (3), or § 401.6(c), the State plan shall provide that the agency (or each agency, where two such agencies are designated), shall include a vocational rehabilitation bureau, division or other organizational unit which:

(1) Is primarily concerned with vocational rehabilitation, or vocational and other rehabilitation of handicapped individuals, and is responsible for the administration of such State agency's vocational rehabilitation program, which must include the determination of eligibility for and the provision of vocational rehabilitation services under the State plan:

(2) Has a full time administrator in

accordance with § 401.8; and

(3) Has a staff employed on such rehabilitation work of such organizational unit, all or substantially all of whom are employed full time on such work.

(c) Location of organizational unit, (1) The State plan shall provide that the organizational unit, specified in paragraph (b) of this section, shall be located at an organizational level and shall have an organizational status within the State agency comparable to that of other major organizational units of such agency. or in the case of an agency described in § 401.6(b) (2), the unit shall be so located and have such status, or the administrator of such unit shall be the executive officer of such State agency. In evaluating the comparability of the organizational level and the organizational status of the unit, the Secretary will give consideration to such factors as the directness of the reporting line from the administrator of the organizational unit for vocational rehabilitation to the chief officer of the designated State agency: the title, status and grade of the administrator of the organizational unit for vocational rehabilitation as compared with those of the heads of other organizational units of the State agency; the extent to which the administrator of the organizational unit for vocational rehabilitation can determine the scope and policies of the vocational rehabilitation program; and the kind and degree of authority delegated to the administrator of the organizational unit for the administration of the vocational rehabilitation program.

(2) In the case of a State which has not designated a separate State agency for the blind as provided for in \$ 401.6, such State may, if it so desires, assign responsibility for the part of the planunder which vocational rehabilitation services are provided for the blind to one organizational unit of the State agency and assign responsibility for the rest of the plan to another organizational unit of such agency, with the provisions of paragraphs (b) and (c) (1) of this section applying separately to each of such units

### § 401.8 State administrator.

The State plan shall provide that there shall be a full-time State administrator who shall direct the State agency specified in § 401.6(b) (1) or the organicational unit specified in § 401.7(b).

#### § 401.9 Local administration.

(a) The State plan shall provide that, when the plan is administered in a political subdivision through a sole local agency, such local administration shall be based on a written agreement with the State agency, which: (1) Will indicate that the local agency will conduct vocational rehabilitation program under the supervision of the State agency in accordance with the State plan and in compliance with Statewide standards established by the State agency, including standards of organization and administration: (2) will set forth the methods to be followed by the State agency in its supervision of the local agency. including an evaluation of the effectiveness of the local agency's program; (3) will set forth the basis on which the State agency participates financially in its locally administered vocational rehabilitation programs; and (4) will indicate whether the local agency will utilize another local public or nonprofit agency in the provision of vocational rehabilitation services to handicapped individuals, and the arrangements for such utilization.

(b) If the State plan provides for local administration, the State plan shall further provide that the sole local agency shall be responsible for the administration of all aspects of the program within the political subdivision which it serves: Provided, however, That a separate local agency serving the blind may administer that part of the plan relating to the rehabilitation of the blind, under the supervision of the State agency for the blind.

### § 401.10 Methods of administration.

The State plan shall provide that the State agency will employ such methods of administration as are found necessary by the Secretary for the proper and efficient administration of the plan, and for the carrying out of all functions for which the State is responsible under the plan and this part.

#### § 401.11 Shared funding and administration of special joint projects or programs.

In order to permit the carrying out of a special joint project or program to provide services to handicapped individuals, the State agency may request the Secretary to authorize it to share funding and administrative responsibility for a joint project or program with another agency or agencies of the State, or with a local agency. The Secretary will approve a request for the shared funding and administration of a special joint project or program which he has determined will more effectively accomplish the purposes of the Act and may also waive the provision of \$ 401.2(a) that the State plan be in effect in all political subdivisions of the State. The State plan shall provide in such cases that each such special joint project or program shall be

based on a written agreement which will-(a) Describe the nature and scope of

the joint project or program, the services to be provided to handicapped in dividuals and the respective roles of each participating agency both in the provision of services and in the administration of such services and in the share of the costs to be assumed by each;

(b) Specify the initial term of the ioint project or program, and plans for anticipated continuation:

(c) Provide a budget showing for each fiscal year the financial participation by the State agency and each participating agency

(d) Provide written assurance that funds will be legally available for purposes of the joint project or program

(e) Provide that the State agency shall annually evaluate the effectiveness of each project or program with special attention to its vocational rehabilitation objectives;

(f) Assure that the State agency and each participating agency will furnish such information and reports as the Secretary may require to determine whether the activities are achieving the purposes of the project or program and warrant continuation; and

(g) Assure that the State vocational rehabilitation agency's portion of the joint project or program will comply with applicable requirements of the Act and

this part.

#### § 401.12 Waiver of Statewideness.

If the State agency desires to carry of activities in one or more political subdivisions through local financing in orier to promote the vocational rehabilitation of substantially larger numbers of handcapped individuals or the vocational rehabilitation of individuals with particular types of disabilities, the State plan shall identify the types of activities which will be carried out in this manner. The State plan shall provide in such cases that the State agency will:

(a) Obtain a full written description of any such activity to be carried out in a particular political subdivision and will obtain written assurance from the political subdivision that the non-Federal share of funds is available to the State agency;

(b) Require that its approval be given to each individual proposal before the proposal is put into effect in a political subdivision:

(c) Have sole responsibility for administration (or supervision if the voestional rehabilitation program is administered by local agencies) of the program in a particular local political subdivision in accordance with § 401.6, except to the extent that funding and administrative responsibility will be shared with respect to a joint program under § 401.11;

(d) Assure that all requirements of the State plan shall apply to such activities, except the requirement that the program be in effect in all political subdivisions of the State, and except that the provision of § 401.82 may be applicable for Federal financial participation in expenditures for carrying out such activities: and

(e) Furnish such information and reports as the Secretary may require.

## § 401.13 Cooperative programs utilizing third party funds.

- (a) The State plan shall provide that, when the State's share of the cost of a cooperative program for the purpose of providing vocational rehabilitation services or engaging in administrative activities of the State agency is made available in whole or in part by a State or local public agency other than the State vocational rehabilitation agency, such cooperative program shall be based on a written agreement which:
- Describes the goals to be achieved and the activities to be undertaken to achieve these goals;
  - (2) Provides for an annual budget:
- (3) Provides that expenditures for vocational rehabilitation services and the administration thereof or for engaging in State agency administrative activities for which Federal financial participation is claimed will be under the control and at the discretion of the State agency;
- (4) Provides that where services to Individuals are involved, only handicapped individuals shall be served by the cooperative program; and
- (5) Provides for periodic evaluation of the extent to which the cooperative program has achieved defined goals as determined on the basis of established criteria and procedures for such evaluations.
- (b) The State plan shall assure that services provided in such a cooperative program are vocational rehabilitation services:
- (1) Which are not services of the cooperating agency to which the handicapped individual would be entitled if he were not an applicant or client of the Size vocational rehabilitation agency, and
- (2) Which represent new services or new patterns of services of the cooperating agency.
- (c) The State plan shall further provide that the State agency will assure that the costs of administrative activities made available, in whole or in part by a State or local public agency other than the State vocational rehabilitation agency, are not costs which are stributable to the general expense of the State or locality in carrying out the administrative functions of the State or local government.

### § 401.14 Staffing of State agency.

The State plan shall provide that staff in sufficient number and with appropriate qualifications will be available to carry out all functions required under the Act and this part. Such staff shall include specialists in the areas of program planning and evaluation, staff development, rehabilitation facility development and utilization, medical consultation, expansion and improvement of services to the severely handicapped, and administive action for equal employment opportunity for the handicapped.

§ 401.15 Standards of personnel administration.

- (a) The State plan shall set forth the State agency's standards of personnel administration consistent with State licensure laws and regulations and other pertinent laws and regulations applicable to its own employees and those of local agencies operating under its supervision. Rates of compensation and minimum qualifications shall be established for each class of position commensurate with the duties and responsibilities of that class. The State plan shall set forth the policies of the State agency with respect to the qualifications, selection, appointment, promotion, career development, and tenure of qualified personnel, including its policies against discrimination on the basis of sex, race, age, physical or mental disability, creed, color, national origin, or political affiliation.
- (b) Where personnel administration is conducted under a State merit system approved under the Standards for a Merit System of Personnel Administration, Part 70 of this title and any standards prescribed by the U.S. Civil Service Commission pursuant to section 208 of the Intergovernmental Personnel Act of 1970, modifying or superseding such standards, the State plan shall make reference to such fact, and the information required above with respect to "Standards of Personnel Administration" need not be submitted, except that the responsibility for the appointment of personnel shall be described. In such cases, the State plan must further provide that the State agency will develop and implement an affirmative action plan for equal employment opportunity as specified in § 70.4 of this title. The affirmative action plan will provide for specific action steps and timetables to assure such equal opportunity. The plan shall be made available for review upon request.
- (c) The State plan shall further provide that the State agency will develop and implement an affirmative action plan for equal employment opportunity and advancement opportunity for qualised physically or mentally disabled persons. Such affirmative action plan shall provide for specific action steps and timetables to assure such equal opportunities and shall conform with all requirements specified in regulations developed pursuant to section 504 of the
- Act.

  (d) The State plan shall further provide for the maintenance of such written personnel policies, records, and other information as are necessary to permit an evaluation of the operations of the system of personnel administration in relation to the standards of the State
- agency.

  (e) The Secretary shall exercise no authority with respect to the selection, method of selection, tenure of office or compensation of any individual employed in accordance with the provisions of the approved State plan.

§ 401.16 Staff development.

The State plan shall provide for a program of staff development for all classes of positions within the State agency. Such staff development program shall include, as a minimum; (a) A systematic approach to the determination of training needs and a system for evaluating the effectiveness of the training activities provided; (b) an orientation program for new staff; and (c) a plan for continuing training opportunities and career development for all classes of positions held under expert leadership at suitable intervals. If the staff development program includes leaves of absence for institutional or other organized training such as full-time study, released time, or work-study or workers-in-training programs, the State agency shall establish in writing the policies govern-ing the granting of such leave.

#### § 401.17 Political activity.

The State plan shall prohibit any employee engaged in the day-to-day administration and operation of the program from engaging in any political activity prohibited by the Hatch Act (5 U.S.C. chapter 15 and with regard to the District of Columbia, 5 U.S.C. chapter 73). Any employee shall have the right to express his views as a citizen and to cast his vote.

## § 401.18 State agency studies and evaluations.

- (a) The State plan shall provide for the conduct of continuing Statewide studies of the needs of handicapped individuals within the State, including the State's need for rehabilitation facilities, and the methods by which these needs may be most effectively met. Such studies shall:
- (1) Determine the relative needs for vocational rehabilitation services of different significant segments of the population of handicapped individuals, with special reference to the need for expansion of service to the most severely handicapped individuals;
- (2) Determine the means and methods by which vocational rehabilitation services to the most severely handicapped individuals and other handicapped individuals will be provided, expanded and improved, after full consideration and study of a broad veriety of means and methods possible; and
- (3) Otherwise ensure the orderly and effective development of vocational rehabilitation services and rehabilitation facilities within the State. In States in which there is a separate agency for the blind, coordinated or joint studies will be conducted.
- (b) The State plan shall provide that a comprehensive evaluation of the effectiveness of the State's vocational rehabilitation program in achieving service goals and priorities, as established in the plan, will be conducted annually. Such annual evaluation will measure

the adequacy of State agency performance in providing vocational rehabilitation services, especially to the most severely handicapped individuals, in the light of State agency program or financial resources, and will be conducted according to general standards for evaluation developed by the Secretary under Part 402 and Part 410 of this chapter. The findings derived from the ongoing evaluation shall be reflected in the annual State plan or amendments thereto.

(c) The State plan shall further provide that reports of such continuing Statewide studies and annual evaluations shall be available to the public for

review.

#### § 401.19 Policy development consultation.

(a) The State plan shall provide that the State agency, or as appropriate, the State agency and any sole local agency, will take into account, in connection with matters of general policy development and implementation arising in the administration of the State plan, the views of individuals and groups who are:

(1) Recipients of vocational rehabilitation services, or as appropriate, their parents, guardians, or other representatives:

(2) Providers of vocational rehabilitation services; and

(3) Others active in the field of voca-

tional rehabilitation. (b) The State plan shall further provide that the State agency will establish in writing and maintain a description of the methods to be used to obtain and consider such views on policy development and implementation and will assure that such description will be available to the public.

#### § 401.20 Cooperation with other public agencies.

(a) The State plan shall provide that. where appropriate, the State agency will enter into cooperative arrangements with, and utilize the services and facilities of, the State agencies administering the State's public assistance programs. other programs for disabled individuals such as the State's developmental disabilities programs, veterans' programs, health and mental health programs, education programs, workmen's com-pensation programs, manpower pro-grams, and public employment offices; the Social Security Administration: the Office of Workmen's Compensation Programs of the Department of Labor; the Veterans Administration; and other Federal, State and local public agencies providing services related to the rehabilitation of handicapped individuals.

(b) The State plan shall further provide that there will be maximum coordination and consultation in State vocational rehabilitation programs with programs for and relating to the rehabilitation of disabled veterans.

(c) Where there is a separate State agency for the blind, the State plan shall also provide that the two State agencies will establish reciprocal referral services, utilize each other's services and facilities to the extent practicable and feasible, jointly plan activities to improve services to the handicapped individuals in the State, and otherwise cooperate to provide more effective services.

#### § 401.21 Reports.

The State plan shall provide that the State agency will make such reports in such form and containing such information, and at such time, as the Secretary may require, and will comply with such provisions as he may find necessary to assure the correctness and verification of such reports.

#### § 401.22 Nondiscrimination in employment under construction contracts.

The State plan shall provide that the State agency will incorporate, or cause to be incorporated, into construction contracts (including construction contracts related to the establishment or construction of rehabilitation facilities) paid for in whole or in part with funds obtained from the Federal Government under the vocational rehabilitation program, such provisions on nondiscrimination in employment as are required by and pursuant to Executive Order No. 11246, and will otherwise comply with requirements prescribed by and pursuant to such order

#### § 401.23 General administrative and fiscal requirements.

(a) The State agency shall adopt policies and methods pertinent to the fiscal administration and control of the vocational rehabilitation program, including sources of funds, incurrence and payment of obligations, disbursements, accounting, and auditing. The State plan shall provide for the maintenance by the State agency of such accounts and supporting documents as will serve to permit an accurate and expeditious determination to be made at any time of the status of the Federal grants, including the disposition of all monies received and the nature and amount of all charges claimed against such grants.

(b) The provisions of Part 74 of this title, establishing uniform administrative requirements and cost principles, shall apply to all grants made under this part except for the requirement concerning in-kind contributions under Subpart G of Part 74 of this title.

STATE PLAN CONTENT: PROVISION AND SCOPE OF SERVICE

## § 401.30 Processing referrals and appli-

cations.

The State plan shall provide that the State agency will establish in writing and maintain standards and procedures to assure expeditious and equitable handling of referrals and applications for vocational rehabilitation services.

### § 401.31 Order of selection for services.

(a) The State plan shall set forth the order to be followed in selecting handicapped individuals to be provided vocational rehabilitation services when such

services cannot be provided to all persons who apply and who have been determined to be eligible or who have been determined to be in need of an extended evaluation of rehabilitation potential to determine eligibility. The State plan shall define priority categories of handicapped individuals for the provision of such services.

(b) In establishing the order of selection for services, the State plan shall provide for selecting the most severely handicapped individuals for the provision of vocational rehabilitation services prior to any other handicapped individuals who have applied for such services.

(c) The State plan shall further provide for special consideration in the selection for vocational rehabilitation services and the provision of such services to those handicapped individuals whose handicapping condition arises from a disability sustained in the line of duty while such individual was performing as a public safety officer and the proximate cause of such disability was a criminal act, apparent criminal act, or a hazardous condition resulting directly from the officer's performance of duties in direct connection with the enforcement, execution, and administration of law or fire prevention, firefighting, or related public safety activities.

(d) The State plan shall further provide that vocational rehabilitation services being provided to any handicapped individual under the terms and conditions of the Vocational Rehabilitation Act shall not be disrupted as a result of the approval of a State plan under this part.

#### § 401.32 Services to civil employees of the United States.

The State plan shall provide that vocational rehabilitation services will be made available to civil employees of the U.S. Government who are disabled in line of duty, under the same terms and conditions as are applied to other handicapped individuals.

#### § 401.33 Eligibility.

(a) General provisions. (1) The State plan shall provide that eligibility requirements will be applied by the State agency without regard to sex, race, age, creed, color, or national origin of the individual applying for service. State plan shall further provide that no group of individuals will be excluded or found ineligible solely on the basis of type of disability. With respect to age, the State plan shall specify that no upper or lower age limit will be established which will, in and of itself, result in a finding of ineligibility for any handicapped individual who otherwise meets the basic eligibility requirements specified in paragraph (b) of this section.

(2) The State plan shall provide that no residence requirement, durational of other, will be imposed which excludes from services under the plan any individual who is present in the State.

(b) Basic conditions. The State plan shall provide that eligibility shall be

based only upon:

(1) The presence of a physical or mental disability which for the individual constitutes or results in a substantial handicap to employment; and

(2) A reasonable expectation that vocational rehabilitation services may benefit the individual in terms of employability.

#### § 401.34 Evaluation of rehabilitation potential: Preliminary diagnostic study.

(a) The State plan shall provide that, in order to determine whether any individual is eligible for vocational rehabilitation services, there shall be a preliminary diagnostic study which shall be sufficient to determine:

(1) Whether the individual has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment; and

(2) Whether vocational rehabilitation services may reasonably be expected to benefit the individual in terms of employability, or whether an extended evaluation of rehabilitation potential is necessary to make such a determination.

(b) The State plan shall provide that the preliminary diagnostic study will include such examinations and diagnostic studies as are necessary to make the determinations specified in paragraph (a) of this section, and, in all cases, will include an appraisal of the current general health status of the individual. The State plan shall further provide that in all cases of mental or emotional disorder, an examination will be provided by a physician skilled in the diagnosis and treatment of such disorders, or by a psychologist licensed or certified in accordance with State laws and regulations, in those States where such laws and regulations pertaining to the practice of psychology have been established.

## § 401.35 Evaluation of rehabilitation potential: Thorough diagnostic study.

(a) The State plan shall provide that, as appropriate in each case, there will be a thorough diagnostic study which will determine the nature and scope of services needed by the individual, and which will consist of a comprehensive evaluation of pertinent medical, psychological, vocational, educational, and other related factors which bear on the individual's handicap to employment and rehabilitation needs.

(b) The State plan shall provide that the thorough diagnostic study will be sufficient in each case to determine the vocational rehabilitation services which are needed to attain vocational goals of the handicapped individual and that the findings of such study will be recorded in the individualized written rehabilita-

tion program.

(c) The State plan shall provide that in all cases of visual impairment, an evaluation of visual loss will be provided by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select, and in the case of blindness, a hearing evaluation will also be obtained from a physician skilled in the diseases of the ear or from an audiologist licensed or certified in accordance with State laws or regulations.

(d) The State plan shall provide that in all cases of hearing impairment, an evaluation of hearing loss will be pro-vided by a physician skilled in the diseases of the ear or by an audiologist licensed or certified in accordance with State laws or regulations.

(e) The State plan shall provide that in all cases of mental retardation, a psychological evaluation will be obtained which will include a valid test of intelligence and an assessment of social functioning and educational progress and

achievement.

(f) The State plan shall provide that the thorough diagnostic study will include, in all cases to the degree needed, an appraisal of the individual's personality, intelligence level, educational achievements, work experience, personal, vocational, and social adjustment, employment opportunities, and other pertinent data helpful in determining the nature and scope of services needed. The State plan shall further provide that the thorough diagnostic study will include, as appropriate for each individual, an appraisal of the individual's patterns of work behavior, his ability to acquire occupational skill and his capacity for successful job performance, including the utilization of work, simulated or real, to assess the individual's capabilities to perform adequately in a work environment.

#### § 401.36 Extended evaluation to determine rehabilitation potential.

(a) Basic conditions. The State plan shall provide that the furnishing of vocational rehabilitation services under an extended evaluation to determine rehabilitation potential shall be based only

(1) The presence of a physical or mendisability which for the individual constitutes or results in a substantial handicap to employment; and

(2) An inability to make a determination that vocational rehabilitation services might benefit the individual in terms of employability unless there is an extended evaluation to determine rehabilitation potential.

(b) Duration and scope of services. Vocational rehabilitation services necessary for the determination of rehabilitation potential, including those provided within a thorough diagnostic study, may be provided to a handicapped individual for a total period not in excess of 18 months,

(c) Other conditions. (1) The extended evaluation period shall begin with the date of the certification for extended evaluation to determine rehabilitation potential required in § 401.37(b). Only one period not in excess of 18 months shall be permitted during the period that the case is open. If a case has been closed as a result of a determination that the handicapped individual's needs have changed, such case may be re-opened and a subsequent evaluation of rehabilitation potential may be carried out provided that the conditions in paragraph (a) of this section are met.

(2) Vocational rehabilitation services, authorized after the expiration of the extended evaluation period will be provided only if the certification of eligibility required in § 401.37(a) has been executed by an appropriate State agency

staff member

(d) Review. The State plan shall provide for a thorough assessment of the individual's progress as frequently as necessary but at least once in every 90-day period during the period in which services are being provided under an extended evaluation of rehabilitation potential, including periodic reports from the institution, facility, or person providing the services, to determine the results of the provision of such services and to determine whether such individual may be determined to be eligible or ineligible.

(e) Termination. The State plan shall provide that at any time prior to the expiration of an 18-month extended evaluation period, the extended evaluation for the determination of rehabilitation potential shall be terminated when:

(1) The individual is found eligible for vocational rehabilitation services since there is a reasonable assurance that he can be expected to benefit in terms of employability from vocational

rehabilitation services; or

(2) The individual is found ineligible for any additional vocational rehabilitation services since it has been determined beyond any reasonable doubt that he cannot be expected to benefit in terms of employability from vocational rehabilitation services. In each such case, the procedures described in § 401.39(e) shall be followed.

#### § 401.37 Certification: eligibility; extended evaluation to determine rehabilitation potential; ineligibility.

- (a) Certification of eligibility. The State plan shall provide that, prior to, or simultaneously with acceptance of a handicapped individual for vocational rehabilitation services, there will be a certification that the individual has met the basic eligibility requirements speci-fied in § 401.33(b). The State plan shall further provide that the certified statement of eligibility will be dated and signed by an appropriate State agency staff member.
- (b) Certification for extended evaluation to determine rehabilitation potential. The State plan shall provide that, prior to, and as a basis for providing an extended evaluation to determine rehabilitation potential, there will be a certification that the individual has met the requirements specified in § 401.36(a). The State plan shall further provide that the certified statement will be dated and signed by an appropriate State agency staff member.

(c) Certification of ineligibility. The State plan shall provide that whenever it has been determined beyond any reasonable doubt that an individual is ineligible for vocational rehabilitation services, there shall be a certification, dated and signed by an appropriate State agency staff member. The State plan shall further provide that such certification of ineligibility will be made only after full participation with the individual or, as appropriate, his parent, guardian, or other representative, or after affording a clear opportunity for such consultation. In such cases, the State agency shall notify the individual in writing of the action taken and shall inform the individual of the State agency's procedures for administrative review and fair hearings under § 401.46. When appropriate, referral shall be made to other agencies and facilities.

§ 401.38 The case record for the individual.

The State plan shall provide that the State agency will maintain for each applicant for vocational rehabilitation services a case record which will include, to the extent pertinent, the following information:

(a) Documentation as to the preliminary diagnostic study, supporting the determination of eligibility, or the determination that an extended evaluation of rehabilitation potential is necessary to

make such determination:

(b) In the case of individuals who have applied for vocational rehabilitation services and have been determined to be ineligible, documentation as to the preliminary diagnostic study specifying the reasons for such determination:

(c) Data supporting any determination that the handicapped individual is a severely handicapped individual;

- (d) Documentation as to periodic assessment of the individual during an extended evaluation of rehabilitation po-
- (e) An individualized written rehabilitation program as developed under \$ 401.39 and any amendments to such program:
- (f) In the event the physical and mental restoration services are provided, documentation supporting the determination that the clinical status of the handicapped individual is stable or slowly progressive;

(g) Documentation supporting any decision to provide services to family

members:

- (h) Data relating to the participation by the handicapped individual in the cost of vocational rehabilitation services if the State elects to condition the provision of any vocational rehabilitation services on the financial need of the handicapped individual;
- (i) Data relating to the eligibility of the individual for similar benefits under any other program;
- (j) Documentation that the individual has been advised of the confidentiality of all information pertaining to his case, and documentation and other material

pertinent to the release of any information concerning the handicapped individual on the basis of the written consent of the handicapped individual;

(k) Documentation as to the reason and justification for closing the case, including the employment status of the client, and if the individual is determined to be rehabilitated, the basis on which the employment was determined to be suitable:

(1) Documentation of any plans for the provision of post-employment services after the employment objective has been achieved, the basis on which such plans were developed, and a description of the services provided and the outcomes achieved:

(m) Documentation as to any action and decision involving the handicapped individual's request for an administrative review of agency action or fair hear-

ings under § 401.46; and

(n) In the case of an individual who has been provided vocational rehabilitation services under an individualized written program but who has been determined after the initiation of such services to be no longer capable of achieving a vocational goal, documentation of any reviews of such determination in accordance with § 401.39(e).

§ 401.39 The individualized written rehabilitation program.

(a) The State plan shall provide that an individualized written rehabilitation program will be initiated and continuously developed for each handicapped individual eligible for vocational rehabilitation services, and for each handicapped individual being provided such services under an extended evaluation to determine rehabilitation potential. The State plan shall further provide that vocational rehabilitation services will be provided to such individuals in accordance with the written program. The individualized written rehabilitation program shall be developed jointly by the appropriate State agency staff member and the handicapped individual or, as appropriate his parent, guardian or other representative, and a copy of the written program, and any amendments thereto. shall be provided to the handlcapped individual or, as appropriate, his parent, guardian or other representative.

(b) The individualized written rehabilitation program shall be initiated after certification of eligibility under § 407.37 (a) or certification for extended evaluation to determine rehabilitation poten-

tial under \$ 401.37(b).

(c) The individualized written rehabilitation program shall place primary emphasis on the determination and achievement of a vocational goal, and, as appropriate, shall include, but shall not necessarily be limited to statements con-

cerning the following:

(1) The basis on which the determination of eligibility has been made, or the basis on which a determination has been made that an extended evaluation of rehabilitation potential is necessary to make a determination of eligibility;

(2) The long-range employment goals established for the individual and the intermediate rehabilitation objectives related to the attainment of such goals:

(3) The determination of the specific vocational rehabilitation services to be provided in order to achieve established employment goals and the terms and conditions for the provision of such serv-

ices:

(4) The projected rate for the initiation of each vocational rehabilitation service, the anticipated duration of each such service, and the time within which the objectives and goals for each individual might be achieved:

(5) A procedure and schedule for periodic review and evaluation of progress toward rehabilitation objectives and goals based upon objective criteria, and a record of such reviews and evaluations;

(6) The views of the handicapped individual, or, as appropriate, his parent, guardian, or other representative, concerning his goals and objectives and the vocational rehabilitation services being

provided:

(7) The terms and conditions for the provision of vocational rehabilitation services including responsibilities of the handicapped individual in implementing the individualized written rehabilitation program, the extent of client participation in the cost of services if the State elects to condition the provision of any services on the financial need of the client, and the extent to which the individual is eligible for similar benefits under any other programs;

(8) An assurance that the handicapped individual has been informed of his rights and the means by which he may express and seek remedy for his dissatisfactions, including the opportunity for an administrative review of agency action or fair hearings under § 401.46;

(9) Where appropriate, assurance that the handicapped individual has been provided a detailed explanation of the availability of the resources within a client assistance project established under Part 402 of this chapter;

(10) The basis on which the individual has been determined to be rehabilitated;

and

(11) Any plans for the provision of post-employment services after a suitable employment objective has been achieved and the basis on which such

plans are developed.

(d) The State plan shall provide that the individualized written program shall be reviewed as often as necessary but at least on an annual basis at which time each handlcapped individual, or, as appropriate, his parent, guardian or other representative will be afforded an opportunity to review such program and, if necessary, jointly redevelop its terms.

(e) The State plan shall provide that if services are to be terminated under a written program on the basis of a determination that the handicapped individual is not capable of achieving a vocational goal and is then no longer eligible, or if in the case of a handicapped individual who has been provided services under an extended evaluation of rehabilitation potential, services are to be terminated on the basis of a determination that such individual cannot be determined to be eligible, the following conditions and procedures will be met or

carried out:

(1) Such decision shall be made only with the full participation of such individual, or, as appropriate, his parent, guardian, or other representative, or after offering a clear opportunity for such consultation in those cases where such consultation is precluded because the individual has refused such consultation, the individual is no longer present in the State or his whereabouts are unknown, or his medical condition is rapidly progressive or terminal. When the full participation of the individual or a representative of the individual has been secured in making such decision, the views of the individual or his representative concerning the decision shall be recorded in the individualized written rehabilitation program;

(2) The rationale for such decision shall be recorded as an amendment to the individualized written rehabilitation program certifying that the provision of vocational rehabilitation services has demonstrated beyond any reasonable doubt that such individual is not capable of achieving a vocational goal, and a certification of ineligibility under § 401.37(c)

shall then be executed; and

(3) There shall be a periodic review, at least annually, of the ineligibility decision in which the individual will be afforded clear opportunity for full consultation in the reconsideration of such decision, except in situations where a periodic review would be precluded because the individual has refused services or has refused a periodic review, the individual is no longer present in the State, his whereabouts are unknown, or his medical condition is rapidly progressive or terminal.

#### § 401.40 Scope of agency program: Vocational rehabilitation services for individuals.

(a) The State plan shall provide that, as appropriate, the following vocational rehabilitation services will be available to individuals:

(1) Evaluation of rehabilitation potential, including diagnostic and related services incidental to the determination

of eligibility for, and the nature and scope of services to be provided;

(2) Counseling and guidance, including personal adjustment counseling, to maintain a counseling relationship throughout a handicapped individual's program of services; and referral necessary to help handicapped individuals secure needed services from other agencies when such services are not available under the Act;

(3) Physical and mental restoration

services:

(4) Vocational and other training services, including personal and vocational adjustment, books, tools and other training materials;

(5) Maintenance;(6) Transportation:

(7) Services to members of a handicapped individual's family when such services are necessary to the adjustment or rehabilitation of the handicapped individual:

(8) Interpreter services for the deaf; (9) Reader services, rehabilitation teaching services, and orientation and mobility services for the blind:

(10) Telecommunications, sensory and other technological aids and devices;

(11) Recruitment and training servlees to provide new employment opportunities in the fields of rehabilitation, health, welfare, public safety, law enforcement and other appropriate public service employment:

(12) Placement in suitable employment:

(13) Post-employment services, necessary to assist handicapped individuals to maintain suitable employment;

(14) Occupational licenses, tools, equipment, initial stocks (including live-stock) and supplies; and

(15) Other goods and services which can reasonably be expected to benefit a handicapped individual in terms of employability.

(b) The State plan shall further provide that the State agency shall establish in writing and maintain current policles with respect to the scope and nature of each of the vocational rehabilitation services specified in paragraph (a) of this section, and the conditions, criteria, and procedures under which each of such services is to be provided. In the case of telecommunications, sensory, and other technological aids and devices, such policies shall ensure that when individualized prescriptions and fittings are required, such prescriptions and fittings shall be performed by individuals licensed to fill such prescriptions and licensed to perform such fittings in accordance with State licensure laws, or by appropriate certified professionals. Newly developed aids and devices not requiring individualized fittings must meet engineering and safety standards, recognized by experts in the field, as determined by the Secretary.

## § 401.41 Individuals determined to be rehabilitated.

(a) The State plan shall provide that when an individual is determined to be rehabilitated, such individual must have been, as a minimum:

 Determined to be eligible under § 401.37(a);

(2) Provided an evaluation of rehabilitation potential, and counseling and guidance as essential vocational rehabilitation services:

(3) Provided appropriate vocational rehabilitation services in accordance with the individualized written rehabilitation program developed under § 401.39; (4) Determined to have achieved a suitable employment objective which has been maintained for a period of time not less than 60 days.

(b) The State plan shall further provide that after individuals have been determined to be rehabilitated, the State agency shall provide post-employment services to those individuals who require such services to the extent necessary to maintain suitable employment.

#### § 401.42 Authorization of services.

The State plan shall provide that written authorization will be made, either simultaneously with or prior to the purchase of services, and will be retained. Where a State agency employee is permitted to make oral authorization in an emergency situation, the State plan shall provide for prompt documentation of such oral authorization in the client's case record and such authorization shall be confirmed in writing and forwarded to the provider of the services.

## § 401.43 Standards for facilities and providers of services.

(a) The State plan shall provide that the State agency will establish in writing and maintain minimum standards for the various types of facilities and providers of services utilized by the State agency in providing vocational rehabilitation services to handicapped individuals. The State agency shall make such standards accessible to State agency personnel and to the public.

(b) The Secretary shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in any facility utilized in providing services.

#### § 401.44 Rates of payment.

The State plan shall provide for the establishment in writing of policies governing rates of payment for all purchased vocational rehabilitation services, and provide that the State agency will maintain in accessible form information as to current rates of payment. The State plan shall further provide that individual or other vendors providing any services authorized by the State agency shall agree not to make any charge to or accept any payment from the handicapped individual or his family for such services unless the amount of such service charge or payment is previously known to and, where applicable, approved by the State agency.

§ 401.45 Participation by handicapped individuals in the costs of vocational rehabilitation services.

(a) Financial need, (1) There is no Federal requirement that the financial need of a handicapped individual be considered in the provision of any vocational rehabilitation service.

(2) If the State elects to consider the financial need of handicapped individuals for purposes of determining the extent of their respective participation in the costs of vocational rehabilitation services, the State agency shall establish in writing and maintain policies with respect to the determination of financial need, and the State plan shall specify the types of vocational rehabilitation services for which the agency has established an economic needs test. The policies so established shall be reasonable and shall be applied uniformly so that equitable treatment is accorded all handicapped individuals in similar circumstances.

(3) The State plan shall provide that no economic needs test will be applied as a condition for furnishing the following vocational rehabilitation services:

(i) Evaluation of rehabilitation potential, except for those vocational rehabilitation services other than of a diagnostic nature which are provided under an extended evaluation of rehabilitation potential under § 401.36;

(ii) Counseling, guidance, and referral services; and

(iii) Placement.

(b) Consideration of similar benefits. (1) The State plan shall provide that, in all cases, the State agency will give full consideration to any similar benefits available to a handicapped individual under any other program to meet, in whole or in part, the cost of any vocational rehabilitation services provided to such a handicapped individual, except the following:

(i) Evaluation, of rehabilitation potential except as provided under para-

graph (b) (4) of this section;

(ii) Counseling, guidance and referral; (iii) Vocational and other training services, including personal and vocational adjustment training, books, tools, and other training materials, except for training or training services in institutions of higher education under § 401.73 (c):

(iv) Services to members of a handicapped individual's family;

(v) Placement: and

(vi) Post-employment services necessary to assist handicapped individuals to maintain suitable employment;

(2) The State plan shall provide that the State agency will give full consideration to any similar benefit available under any other program to a handi-capped individual to meet, in whole or in part, the cost of physical and mental restoration services and maintenance provided to such a handicapped individual except where such consideration would significantly delay the provision of such services to an individual;

(3) The State plan shall provide that when, and to the extent that, an individual is eligible for such similar benefits, such benefits will be utilized insofar as they are adequate, and do not interfere with achieving the rehabilitation ob-

jective of the individual.

(4) The State plan shall further provide that the State agency will give full consideration to any similar benefits available to a handicapped individual being provided an extended evaluation of rehabilitation potential under § 401.36 in a manner consistent with paragraphs (b) (1) through (b) (3) of this section.

§ 401.46 Administrative review of agency action, and fair hearing.

(a) The State plan shall provide that an applicant for or recipient of vocational rehabilitation services under the State plan who is dissatisfied with any action with regard to the furnishing or denial of such services may file a request for an administrative review and redetermination of that action to be made by a member or members of the supervisory staff of the State agency. The State plan shall further provide that when the individual is dissatisfied with the finding of this administrative review, he shall be granted an opportunity for a hearing before the State administrator or his designee.

(b) Each applicant for or recipient of vocational rehabilitation services shall be informed of the opportunity available to him under paragraph (a) of this section.

#### § 401.47 Confidential information.

(a) The State plan shall provide that the State agency will adopt and implement such regulations as are necessary to assure that:

(1) All information as to personal facts given or made available to the State agency, its representatives, or its employees, in the course of the administration of the vocational rehabilitation program, including lists of names and addresses and records of agency evaluation, shall be held to be confidential;

(2) The use of such information and records shall be limited to purposes. directly connected with the administration of the vocational rehabilitation

program:

(3) Information shall not be disclosed directly or indirectly, other than in the administration of the vocational rehabilitation program, unless the informed consent of the client has been obtained in writing;

(4) Release of information to any individual, agency, or organization shall be conditioned upon satisfactory assurance by such individual, agency, or organization that the information will be used only for the purpose for which it is provided and that it will not be released to any other individual, agency, or

organization;

- (5) Upon written request, information shall be released to the client or, as appropriate, his parent, guardian, or other or his representative for purposes in connection with any proceeding or action for benefits or damages, including any proceeding or action against any public agency: Provided, (i) That only such information as is relevant to the needs of the client shall be released, and (ii) in the case of medical or psychological information, the knowledge of which may be harmful to the client, such information will be released to the parent, guardian, or other representative of the client by the State agency, or to the client by a physician or by a licensed or certified psychologist; and
- (6) Information will be released to an organization or individual engaged in research only for purposes directly connected with the administration of the

State vocational rehabilitation program and only if the organization or individual furnishes satisfactory assurance that the information will be used only for the purpose for which it is provided; that it will not be released to persons not connected with the study under consideration; and that the final product of the research will not reveal any information that may serve to identify any person about whom information has been obtained through the State agency without written consent of such person and the State agency.

(b) The State plan shall further provide that all information is the property

of the State agency:

(c) The State plan shall further provide that the State agency will adopt and maintain such procedures and standards as are necessary to:

(1) Give effect to these regulations:

- (2) Assure that all vocational rehabilitation applicants, clients, providers of services, and interested persons will be informed as to the confidentiality of vocational rehabilitation information and the conditions for the release of such information.
- § 401.48 Scope of agency program: Management services and supervision for small business enterprises for the most severely handicapped individuals.
- (a) The State plan may provide for management services and supervision provided to small business enterprises (including vending facilities) operated by the most severely handicapped individuals, and may also provide for establishing such small business interprises. If the State plan so provides, it shall further provide that the State agency shall establish in writing and maintain:

(1) A description of the types of small business enterprises to be established

under the program;

(2) A description of the policies governing the acquisition of vending facilities or other equipment and initial stocks (including livestock) and supplies for such businesses;

(3) A description of the policies governing the management and supervision

of the program;

(4) A description of how management and supervision will be accomplished either by the State agency, or by some other organization as the nominee of such agency, subject to its control; and

(5) Assurance that only the most severely handicapped individuals will be selected to participate in this super-

vised program.

(b) If the State agency elects to set aside funds from the proceeds of the operation of such enterprises, the State plan shall also provide that the State agency shall establish in writing and maintain a description of the methods used in setting aside such funds, and the purpose for which such funds are set aside. Such funds may be used only for small business enterprise program pur poses and any benefits for operators must be provided on an equitable basis.

§ 401.49 Scope of agency program: Establishment of rehabilitation facili-

The State plan may provide for the establishment of public or other non-profit rehabilitation facilities. If the State plan so provides, it shall:

(a) Provide that the State agency will determine that needs for individual rehabilitation facilities exist prior to their establishment and that such establishment will be consistent with State rehabilitation facilities planning and will not duplicate other resources available to rehabilitation facilities;

(b) Provide that the State agency shall establish in writing and maintain standards and criteria applicable to such rehabilitation facilities with respect to physical plant, equipment, personnel, administration and management, safety and other pertinent conditions and insofar as workshops are concerned, the State agency shall establish in writing and maintain criteria and standards applicable with respect to health conditions, wages, hours, working conditions, workmen's compensation or liability insurance, and other pertinent conditions. Such standards and criteria shall incorporate, insofar as applicable, any standards and criteria established by the Secretary, and shall conform with regulations of the Secretary of Labor relating to occupational safety and health standards for rehabilitation facilities, the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," No. A117.1-1961, as modified by other standards prescribed by the Secretary of Housing and Urban Development (24 CFR Part 40) or Administrator of General Services (41 CFR 101-17.703) and, where applicable, the National Environmental Policy Act of 1969 (Pub. L. 90-190).

(e) Provide that the primary purpose of the establishment of any rehabilitation facility is to establish a rehabilitation facility in which vocational rehabilitation services or transitional or extended employment will be provided to handi-

capped individuals; and

(d) Provide that, in cases where initial staffing assistance is provided, such assistance will be available only for personnel who are engaged in new or expanded program activities of the rehabilitation facility.

§ 401.50 Scope of agency program: Construction of rehabilitation facilities.

The State plan may provide for the construction of public or other nonprofit rehabilitation facilities. If the State plan 50 provides, it shall:

(a) Provide that the State agency will determine that needs for individual rehabilitation facilities exist prior to their construction and that such construction will be consistent with State rehabilitation facilities planning and will not duplicate other resources available to rehabilitation facilities;

(b) Provide that the State agency shall establish in writing and maintain standards and criteria applicable to such rehabilitation facilities with respect to physical plant, equipment, personnel, administration and management, safety, and other pertinent conditions and, insofar as workshops are concerned, the State agency shall establish in writing and maintain criteria and standards applicable with respect to health conditions, wages, hours, working conditions, workmen's compensation or liability insurance, and other pertinent conditions. Such standards and criteria shall incorporate, insofar as applicable, any standards and criteria established by the Secretary

(c) Provide that the primary purpose of the construction of any rehabilitation facility is to construct a rehabilitation facility in which vocational rehabilitation services or transitional or extended employment will be provided to handi-

capped individuals;

(d) Provide that the total Federal financial participation in the expenditures for the construction of rehabilitation facilities for a fiscal year shall not exceed 10 per centum of the State's allotment for such year under section 110 of the Act;

(e) Provide that for each fiscal year the amount of the State's share of expenditures for vocational rehabilitation services under the plan, other than for the construction of rehabilitation facilities and the establishment of rehabilitation facilities, shall be at least equal to the average of its expenditures for such other vocational rehabilitation services for the preceding three fiscal years; and

(f) Provide that in addition to any other requirement imposed by law, each proposal for the construction of a rehabilitation facility will be subject to the requirements for the construction of a rehabilitation facility under Part 402 of this chapter and the condition that the applicant will furnish and comply with all assurances set forth in the application.

§ 401.51 Scope of agency program: Facilities and services for groups of handicapped individuals.

The State plan may provide for facilities and services which may be expected to contribute substantially to the rehabilitation of a group of individuals, but which are not related directly to the individualized rehabilitation program of any one handicapped individual. If the State plan so provides, it shall further provide that the State agency shall establish in writing and maintain policies for the provision of such facilities and services.

§ 401.52 Utilization of community facilities.

The State plan shall provide that, in the provision of vocational rehabilitation services, maximum utilization will be made of public or other vocational or technical training facilities or other appropriate resources in the community, § 401.53 Periodic review of extended employment in rehabilitation facilities.

The State plan shall provide for periodic review and re-evaluation at least annually, of the status of those handicapped individuals who have been placed by the State agency in extended employment in rehabilitation facilities, including workshops, to determine the feasibility of their employment or their training for future employment in the competitive labor market. The State plan shall further provide that maximum effort will be made to place such individuals in competitive employment or training for such employment whenever determined to be feasible.

Subpart C—Financing of State Vocational Rehabilitation Programs

FEDERAL FINANCIAL PARTICIPATION § 401.70 Effect of State rules.

Subject to the provision and limitations of the Act and this part, Federal financial participation will be available in expenditures made under the State plan (including the administration thereof) in accordance with applicable State laws, rules, regulations, and standards governing expenditures by State and local agencies.

§ 401.71 Vocational rehabilitation services to individuals.

(a) Federal financial participation will be available in expenditures made under the State plan for providing an evaluation of rehabilitation potential, including diagnostic and related services necessary for determining an individual's eligibility for vocational rehabilitation services, and the nature and scope of services to be provided.

(b) Federal financial participation will also be available in expenditures made under the State plan for providing the following vocational rehabilitation serv-

ices to individuals:

services:

(1) Counseling, guidance and referral; (2) Physical and mental restoration

(3) Vocational and other training services, including personal and vocational adjustment, books, tools, and training materials: Provided, That no training or training services in institutions of higher education (universities, colleges, community/junior colleges) shall be paid for with funds under this part-uniess maximum efforts have been made by the State agency to secure grant assistance in whole or in part from other sources to pay for such training or training services;

(4) Maintenance:

(5) Transportation;
(6) Services to members of a handicapped individual's family when such services are necessary to the adjustment or rehabilitation of the handicapped individual;

(7) Interpreter services for the deaf;

(8) Reader services, rehabilitation teaching services, and orientation and mobility services for the blind;

(9) Telecommunications, sensory or other technological aids and devices.

- (10) Recruitment and training services for new employment opportunities in the fields of rehabilitation, health, welfare, public safety, law enforcement, and other appropriate public service employment;
- (11) Placement in suitable employ-
- (12) Post-employment services necessary to assist handicapped individuals to maintain suitable employment;
- (13) Occupational licenses, tools, equipment and initial stocks and supplies. "Equipment" as used herein includes shelters which are only those facilities for a business undertaking customarily furnished by the operator of a like undertaking occupying premises under a short-term lease:
- (14) Other goods and services not contraindicated by the Act and this part, necessary to determine the rehabilitation potential of a handicapped individual or to be of benefit to him in terms of his employability. (This may include expenditures for short periods of medical care for acute conditions arising during the course of rehabilitation, which, if not cared for, would constitute a hazard to the course of rehabilitation, which, if not taid or to the achievement of the vocational objective.)
- (c) Federal financial participation with not be available in any expenditure made, either directly or indirectly, for the purchase of any land, or for the purchase or erection of any building for any one handicapped individual. This exclusion with respect to buildings does not apply to shelters as described in paragraph (b) (13) of this section.
- § 401.72 Management services and supervision for small business enterprises for the most severely handicapped.
- (a) Federal financial participation will be available in expenditures made under the State plan for the acquisition of equipment, and initial stocks (including livestock) and supplies for small business enterprises (including vending facilities) for the most severely handicapped individuals, and management services and supervision provided by the State agency to improve the operation of such small business enterprises (including vending facilities). "Equipment" as used herein includes shelters, which are only those facilities for a business undertaking which are customarily furnished by the operator of a like undertaking occupying premises under a short-term lease. Federal financial participation will not be available in any expenditure for the purchase of any land, nor for the purchase or erection of any building. This exclusion with respect to buildings does not apply to shelters as described in this paragraph;
- (b) Federal financial participation is available for expenditures specified under paragraph (a) of this section, which are made from funds set-aside by the State agency from the proceeds of the operation of small business enterprises for the most severely handicapped individuals under its management and supervision.

- § 401.73 Establishment of rehabilitation facilities.
- (a) Federal financial participation will be available in expenditures made under the State plan for the establishment of public and other nonprofit rehabilitation facilities for the following types of expenditures, except as limited in paragraph (b) of this section:
- Acquisition of land in connection with the establishment of a rehabilitation facility:
- (2) Acquisition of existing buildings;
  (3) Remodeling and alteration of ex-
- isting buildings;(4) Expansion of existing buildings;
  - (5) Architect's fees:
- (6) Site survey and soil investigation;
- (7) Initial fixed or movable equipment of existing building;
   (8) Initial staffing of rehabilitation
- facilities; and
  (9) Such other direct expenditures as
  are appropriate to the establishment
- project.
  (b) Federal financial participation will not be available in any expenditure:
- (1) For the acquisition of an existing building when the cost of acquisition of such building under this section is in excess of \$200,000:
- (2) For the rental of land, or rental of buildings in connection with the establishment of rehabilitation facilities;
- (3) For the remodeling or alteration of an existing building when the estimated cost of such remodeling or alteration exceeds the fair market value of such building prior to the remodeling or alteration;
- (4) For the expansion of an existing building which has not been completed in all respects;
- (5) For the expansion of an existing building to the extent that the total size of the resultant expanded building, determined in square footage of usable space, will be greater than twice the size of the original existing building; or
- (6) For the expansion of an existing building if the method of joining the expanded portion of the existing building indicates that, in effect, a separate structure is involved.
- (c) The amount of Federal financial participation in the establishment of a rehabilitation facility, including initial equipment, and initial staffing for a period not to exceed 4 years and 3 months, shall be 80 per centum.
- (d) Funds made available to a private nonprofit agency for the establishment of a rehabilitation facility shall be expended by that agency in accordance with procedures and standards equivalent to those of the State agency in making direct expenditures for similar purposes.
- § 401.74 Construction of rehabilitation facilities.
- (a) Federal financial participation will be available in expenditures made under the State plan for the construction of public or other nonprofit rehabilitation facilities for the following types of expenditures:

- Acquisition of land in connection with the construction of a rehabilitation facility;
- (2) Acquisition of existing buildings;(3) Remodeling, alteration or renovation of existing buildings;
- (4) Construction of new buildings and expansion of existing buildings when the expansion is extensive enough to be tantamount to new construction:
  - (5) Architect's fees;
- (6) Site survey and soil investiga-
- (7) Initial fixed or movable equipment of such new, newly acquired, expanded, remodeled, altered or renovated buildings:
- (8) Works of art in an amount not to exceed 1 per centum of the total cost of the project; and
- (9) Such other direct expenditures as are appropriate to the construction project: Provided, honever, That Federal financial particiaption will not be available for the costs of offsite improvements.
- (b) The amount of Federal financial participation in the construction of a rehabilitation facility shall be equal to the same percentage of the cost of the project as the Federal share which would be applicable in the case of a rehabilitation facility (as defined in section 645(g) of the Public Health Service Act, 42 U.S.C. 291(a)), in the same location.
- (c) Funds made available to a private nonprofit agency for the construction of a rehabilitation facility shall be expended by that agency in accordance with procedures and standards equivalent to those of the State agency in making direct expenditures for similar purposes.

## § 401.75 Facilities and services for groups of handicapped individuals.

Federal financial participation will be available in expenditures made under a State plan for the provision of other facilities and services which may be expected to contribute substantially to the rehabilitation of a group of handicapped individuals but which are not related directly to the rehabilitation of any one handicapped individual.

#### § 401.76 Administration.

Federal financial participation will be available in expenditures under the State plan for administration, Administration includes, among other things: program planning, development, evaluation, and control; research; interpretation of the program to the public; personnel administration, including the administration of affirmative action plans use of advisory committees; the removal of architectural barriers in State agency offices and facilities; and training and staff development, including educational leave, for State agency personnel. All expenditures for administration in which Federal financial participation is claimed must be subject to the administrative or supervisory control of the sole State agency, or, if performed by some other agency of the State, must be subject to

such terms of a cooperative arrangement as will serve to assure consistency with the State agency's policies and objectives. Such expenditures must be made pursuant to the cost principles prescribed by Subpart Q of Part 74 of this title.

#### § 401.77 Purchase of goods, facilities, or services from other agencies of the State.

Federal financial participation will be available in expenditures under the State plan for payment of the costs incurred by other agencies of the State furnishing goods, facilities, or services to the State agency: Provided, That (a) such payments are permissible under State law; (b) such costs are incurred to meet the needs of the State agency, and are not costs attributable to the general expense of the State in carrying out the overall coordinating, fiscal, and administrative functions of the State government; and (c) such expenditures are made pursuant to the cost principles prescribed by Subpart Q of Part 74 of this title.

#### 8 401.78 Insurance and taxes.

Federal financial participation will be available in expenditures made under the State plan for:

 (a) The State agency's share of costs in employee benefit programs;

(b) Workmen's compensation;

(c) Burglary, robbery, and fire insurance, if permitted by the State, and reasonably necessary to protect funds in transit or in the custody of State or local agency personnel;

(d) Motor vehicle liability costs, where the State accepts responsibility for such

loss; and

(e) Federal, State, and local taxes, if the State agency is legally obligated to pay such taxes: And provided, That all comparable agencies in the State are uniformly treated. All such expenditures shall be made pursuant to the cost principles prescribed by Subpart Q of Part 74 of this title.

#### § 401.79 Cost of space.

Federal financial participation will be available in expenditures made under the State plan for costs of space for State agencies that are incurred (a) for paying rent and service and maintenance costs in privately owned buildings; (b) in meeting the costs of service and maintenance in lieu of rent in publicly owned buildings; (c) in meeting rental charges in federally and municipally owned buildings, where the municipality is not administering the vocational rehabilitation program locally; (d) in making necessary repairs and alterations to either private or publicly owned buildings; and (e) for monthly rental charges, based on the cost of initial construction or purchase of State or locally owned buildings: Provided, That such expenditures are made pursuant to the cost principles prescribed in Subpart Q of Part 74 of this title.

### § 401.80 State and local funds.

(a) In order to receive the Federal share of expenditures under the State

plan, expenditures from State or local funds under such plan equal to the State's share must be made. Such funds may not consist of Federal funds or of non-Federal funds that are applied to match other Federal funds, except as may be specifically authorized by Congress. The State's share shall be the difference between the Federal share (§ 401.86(a)), and 100 per centum.

(b) For the purposes of this section, "State or local funds" means:

(1) Funds made available by appropriation directly to the State or local agency, funds made available by allotment or transfer from a general departmental appropriation, or funds otherwise made available to the State or local agency by any unit of State or local government, including any funds, goods or services made available by such unit for vocational rehabilitation activities under cooperative programs pursuant to \$401.13:

- (2) Contributions by private organizations or individuals, which are deposited in the account of the State or local agency in accordance with State law, for expenditure by, and at the sole discretion of, the State or local agency: Provided, however, That such contributions earmarked for meeting the State's share for providing particular services, for serving certain types of disabilities, for providing services for special groups which are identified on the basis of criteria which would be acceptable for the earmarking of public funds, or for carrying on types of administrative activities so identified may be deemed to be State funds, if permissible under State law, except that Federal financial participation will not be available in expenditures that revert to the donor's use or facility;
- (3) Funds set aside pursuant to \$401.72(b); or
- (4) Contributions by private agencies, organizations or individuals deposited in the account of the State or local agency in accordance with State law, which are earmarked, under a condition imposed by the contributor, for meeting (in whole or in part) the State's share for establishing or constructing a particular rehabilitation facility, if permissible under State law: Provided, however, That such funds may be used to earn Federal funds only with respect to expenditures for establishing or constructing the particular rehabilitation facility for which the contributions are earmarked.

## § 401.81 Shared funding and administration of joint projects or programs.

Where the Secretary has approved a request by the State agency to participate in a joint project or program with another agency or agencies of the State, or with a local agency, in accordance with § 401.11, Federal financial participation will be available in the State agency share of costs for which there is such Federal participation under the Act.

### § 401.82 Waiver of Statewideness.

If the approved State plan provides for activities to be carried out in one or

more political subdivisions through local financing (§ 401.12), Federal financial participation will be available in expenditures made under the State plan for vocational rehabilitation services and administration in connection with such activities in accordance with the provisions of this subpart, except that funds made available to the State agency by such political subdivisions of the State (including funds contributed to such a subdivision by a private agency, organization or individual) may be earmarked for use within a specific geographical area or for use at a specific facility or for the benefit of a group of individuals with a particular disability: Provided, That nothing in this paragraph shall authorize the further earmarking of funds for a particular individual or for members of a particular organization, and that Federal financial participation will not be available in expenditures that revert to the donor's use or facility where the donor is a private agency, organization or individual.

#### ALLOTMENT AND PAYMENT

### § 401.85 Allotment of Federal funds for vocational rehabilitation services.

(a) For each fiscal year each State shall be entitled to an allotment of an amount authorized by the Act to be appropriated for that fiscal year for making grants to States for meeting the cost of vocational rehabilitation services under section 100(b) (1) of the Act as the product of the population of the State and the square of its allotment percentage bears to the sum of the corresponding products for all States, subject to the provision in paragraph (b) of this section. For any fiscal year the allotment to any State (other than Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands) which is less than one-quarter of 1 per centum of the amount appropriated under section 100 (b) (1) or \$2 million, whichever is greater, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments of each of the remaining such States, but with such adjustments as may be necessary to prevent the allotments of any such remaining States from being thereby reduced to less than that amount.

(1) Population, as applied to any State, means the population of that State as determined by official estimates furnished to the Secretary by the Department of Commerce by October 1 of the year preceding the fiscal year for which Federal grant funds are appropriated.

(2) The allotment percentage for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capital income of such State bears to the per capital income of the United State (i.e., the 50 States, the District of Columbia), except that the allotment percentage shall in no case be more than 75 per centum or less than 33½ per centum, and the allotment percentage for the District of Columbia, Puerto Rico, Guam, the Virgin

Islands, American Samoa and the Trust Territory of the Pacific Islands shall be 75 per centum.

- (3) The allotment percentage shall be promulgated by the Secretary between July 1 and September 30 of each even numbered year, on the basis of the average of the per capita income of the States and of the United States (i.e., the 50 states and the District of Columbia) for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the 2 fiscal years in the period beginning July 1, next succeeding such promulgation.
- (b) If at any time after the start of any fiscal year, or after a review by the Secretary after March 1 of such fiscal year, the Secretary determines, after reasonable opportunity for the submission of comments by the State agency, that any amount of an allotment to a State for any fiscal year will not be utilized by the State carrying out the purposes of the State vocational rehabilitation program, he shall make such amount available for carrying out the purposes of this part to one or more other States to the extent he determines such other State will be able to use such additional amount during such year for carrying out such purposes. When such amounts are made available to such other States, they shall be distributed to those States which can most effectively utilize such additional amount in proportion to the amount which each State's allotment bears to the total of all such States' allotments. Any amount made available to a State for any fiscal year pursuant to such reallotment shall be regarded as an increase of such State's allotment for such year.
- (c) Where the State plan designates separate agencies to administer (or supervise the administration of) the part of the plan under which vocational rehabilitation services are provided for the blind, and the rest of the plan, respectively, the division of the State's allotment pursuant to paragraphs (a) and (b) of this section between such agencies is a matter for State determination.
- (d) The total Federal financial participation in the expenditures for construction for a fiscal year may not exceed 10 per centum of the State's allotment for such year. The amount of the State's share of expenditures for vocational rehabilitation services other than for the establishment of rehabilitation facilities or for construction of rehabilitation facilities shall be at least equal to the average of its expenditures for such other vocational rehabilitations.

## § 401.86 Payments for allotments for vocational rehabilitation services.

(a) Except as provided in § 401.85(d), the Secretary shall pay to each State an amount equal to the Federal share of the cost of vocational rehabilitation services under its approved State plan, including the cost of expenditures for the administration of the plan. The Federal

share for each State shall be 80 per centum, except for expenditures to meet the cost of construction of rehabilitation

(b) If the payment to a State for any fiscal year is less than the total payments such State received under section 2 of the Vocational Rehabilitation Act for the fiscal year ending June 30, 1973, such State shall be entitled to an additional payment, equal to the difference between such payments and the amount so received by it. Such additional payment shall be subject to the same terms and conditions applicable to other payments made under this subpart.

(c) (1) The total of payments to a State under this section for any fiscal year may not exceed its allotment under § 401.85 and any additional payment under § 401.86(b) increasing such allotment for such year and such payments shall not be made which would result in a violation of the provision specified in

§ 401.85(d).

- (2) Amounts otherwise payable to a State under this section for any fiscal year shall be reduced by the amount (if any) by which expenditures from non-Federal sources, as specified in § 401.80 (except for expenditures with respect to which the State is entitled to payments under Subpart F of this part) for such fiscal year under such State's approved plan for vocational rehabilitation services are less than such expenditures under such plan for the fiscal year ending June 30, 1972. The expenditures under the State plan for fiscal year 1972, pursuant to the preceding sentence, shall be determined on the basis of such information, including reports from the States, as the Department had on June 30, 1973. If a reduction in payments for any fiscal year is required in the case of a State where separate agencies administer (or supervise the administration of) the part of the plan under which vocational rehabilitation services are provided for the blind, and the rest of the plan, respectively, such reduction shall be made in direct relation to the amount by which expenditures from non-Federal sources under each part of the plan are less than they were under that part of the plan during the fiscal year ending June 30, 1972
- (d) Payments made under this part shall be subject to the condition that the shall be subject to the conducting a vocational rehabilitation program shall meet the general standards for evaluation developed by the Secretary under Part 402 and Part 410 of this chapter. In cases where a State's performance fails to meet such general standards, payments may be withheld pursuant to the provisions of \$401.5.

## § 401.87 Method of computing and making payments.

(a) Estimates. The Secretary shall, prior to the beginning of each fiscal quarter or other period prescribed by him, estimate the amount to be paid to each State from its allotment for vocational rehabilitation services under section 110 of the Act, and its allotment for innovation and expansion projects under sec

tion 120 of the Act. This estimate will be based on such records of the State and information furnished by it, and such other investigation, as the Secretary may find necessary.

(b) Payments. The Secretary shall pay, from the allotment available therefor, the amount so estimated for such period. In making any such payment, such additions and subtractions will be made as the State's accounting for any prior period and audit thereof may indicate as necessary in balancing the Federal-State account for any such prior period, Payments shall be made prior to audit or settlement by the General Accounting Office, shall be made through the disbursing facilities of the Treasury Department, and shall be made in such installments as the Secretary may determine.

#### § 401.88 Effects of payments.

(a) Neither the approval of the State pursuant thereto shall be deemed to waive the right or duty of the Secretary to withhold funds by reason of the falure of the State to observe, before or after such administrative action, any requirement of the Act or of this part.

(b) The final amount to be paid for any period is determinable on the basis of expenditures under the State plan for which Federal financial participation is authorized. The State shall assume full responsibility for the application of Federal funds to authorized plan purposes.

#### § 401.89 Refunds.

Any amount refunded or repaid to the State shall be credited to the Federal account in proportion to the Federal participation in the expenditures by reason of which such refunds or repayments were made, and such sums shall be considered as granted from the State's allotment.

## § 401.90 Determining to which fiscal year an expenditure is chargeable.

In determining to which Federal fiscal year expenditures are chargeable, States shall be governed by the following:

(a) Expenditures are chargeable to a particular fiscal year in accordance with State laws or regulations. In the absence of applicable provisions of State laws or regulations, the actual date of the expenditure will be controlling.

(b) In the event that a State's fiscal year does not coincide with the Federal fiscal year, appropriate State laws or regulations governing the recording of

expenditures will govern.

(c) In those States which appropriate funds for a blemium, the principles provided in State laws, regulations and practices, for determining to which year of the blemium an expenditure is charged will apply.

Subpart D—Payment of Costs of Vocational Rehabilitation Services for Disability Beneficiaries From the Social Security Trust Funds

#### § 401.110 General.

(a) Section 222 of the Social Security Act provides for the payment from the trust funds of costs of vocational rehabilitation services furnished to disability beneficiaries. Within the limits authorized under section 222, trust funds will be available for payment by the Secretary to the States to provide for vocational rehabilitation services (and related costs of administration) for disability beneficiaries under State plans approved under the Act.

(b) To receive trust funds for vocational rehabilitation, each State agency is required to submit an amendment to its State plan which sets forth its policy and procedures for providing vocational rehabilitation services to disability beneficiaries in keeping with the purpose as stated below and which meets the reguirements and conditions prescribed herein.

#### § 401.111 Purpose.

With the purpose of making it possible for more disability beneficiaries to receive vocational rehabilitation services. money is made available from the trust funds to finance the vocational rehabilitation of selected beneficiaries. This money will be used in such a way that the saving from the amount of benefits that would otherwise have to be paid and the increased contributions to the trust funds paid by virtue of the earnings of beneficiaries who return to work will exceed, or at least equal, the money paid frem the trust funds for rehabilitation costs.

#### § 401.112 Applicability of other regulations.

The provisions governing vocational rehabilitation services to disability beneficiaries, the costs of which are paid from trust funds, must conform to all requirements elsewhere in this part governing the State vocational rehabilitation programs which are not inconsistent with the requirements prescribed in this subpart

#### § 401.113 Definitions.

(a) "Disability beneficiary" means a disabled individual who is entitled to benefits under section 223 of the Social Security Act (including disabled individuals serving a waiting period prior to such entitlement), a disabled individual age 18 or over who is entitled to child's insurance benefits under section 202(d) of the Social Security Act, or a disabled widow, widower, or surviving divorced wife under sections 202 (e) and (f) of the Social Security Act.

(b) "Productive activity" means fulltime employment, part-time employment, or self-employment wherein the nature of the work activity performed, the earnings received, or both, or the capacity to engage in such employment or self-employment, can reasonably be expected to result in the termination of entitlement to disability insurance benefits or in the nonpayment of benefits where entitlement is based on statutory blindness.

(c) "Trust Funds" means funds derived from the Federal Old-Age and

Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for purposes of vocational rehabilitation pursuant to section 222(d) of the Social Security Act.

#### § 401.114 State plan requirements.

For a State to receive trust funds the State plan must contain the following provisions regarding vocational rehabilitation services to disability beneficiaries.

- (a) Conformance to selection criteria. The State plan shall provide that, to the extent funds provided from the trust funds are adequate for that purpose, vocational rehabilitation services will be furnished to disability beneficiaries in the State who the State determines on the basis of medical, vocational, social, personal, or other factors are eligible for services and who meet the following requirements:
- (1) The disabling impairment is not so rapidly progressive as to outrun the effect of vocational rehabilitation services to the extent that restoration of the beneficiary to productive activity is precluded:
- (2) The disabling effect of the impairment, without the services planned, is expected to remain at a level of severity which would result in the continuing payment of disability benefits;

(3) There is a reasonable expectation that the provision of services will enable the individual to engage in productive

work activity; and

(4) The reasonably predictable period of productive work activity is of sufficient duration that the benefits to be saved and the contributions which would be paid to the trust funds on future earnings would offset the cost of the services nlanned.

- (b) Order of selection. To the extent that funds provided for this purpose are adequate, the State plan shall provide that the order of selection for services shall be in accordance with the beneficiary's readiness and potential for rehabilitation to productive activity and without regard to any other order of selection set forth in the State plan.
- (c) Citizenship, residence, and economic need. The State plan shall provide that any disability beneficiary who meets the other requirements for selection for vocational rehabilitation services shall be provided with authorized services without regard to

(1) citizenship, or

(2) place of residence, or

(3) need for financial assistance.

(d) Promptness of services. The State plan shall provide that services will be furnished with reasonable promptness to disability beneficiaries selected under paragraphs (a), (b), and (c) of this section

(e) Services available. The State plan shall provide that vocational rehabilitation services available to disability beneficiaries selected for such services shall include the full range of services authorized in the Act, to the extent that such services are consistent with this subpart, subject to the conditions and limitations

with respect to the use of trust funds prescribed in § 401.115.

(f) Staff, supervision and training. The State plan shall provide for staff, supervision, and training of personnel to carry out the functions of this subpart in an effective manner.

#### § 401.115 Conditions and limitations,

Costs of vocational rehabilitation services (and administration) paid from trust funds shall be subject to the following conditions and limitations:

(a) Trust funds will not be used to pay costs of establishment or construction of a rehabilitation facility.

- (b) Trust funds will not be used to pay the costs of maintenance while an individual is receiving vocational rehabilitation services unless it is necessary for the individual to be away from home to receive such services. The costs of such maintenance shall not exceed the amount of increased expenses that are necessitated by the rehabilitation program.
- (c) Where trust funds are used to pay the cost of equipment, initial stock and supplies, including that for a vending stand or other small business enterprise, for the rehabilitation of a beneficiary, the State agency shall establish appropriate controls to assure that such equipment and stock no longer required by that beneficiary are utilized by another beneficiary. When it is unlikely that such equipment and stock will be needed by another beneficiary within a reasonable period of time, it may be disposed of according to usual State agency procedures with appropriate credit to the trust funds.

#### § 401.116 Payments of trust funds.

- (a) Payment and distribution funds. (1) Payment from available trust funds may be made in advance or by way of reimbursement for agency costs of providing services (including administration) under an approved amended State plan.
- (2) In distributing funds to the States, the Secretary will consider agency estimates, the number of disability beneficiaries in the State, and such other factors as the Secretary may
- (3) The Secretary will make necessary adjustments or redistribution on account of overpayments, underpayments, and unused funds.
- (b) Payments for services and administration. (1) Payment from trust funds may be made for the cost of determining the eligibility for and the character of vocational rehabilitation services needed by a disability beneficiary, or a claimant for disability benefits, if it appears there is a strong likelihood that such claimant will be found entitled to such disability benefits (even though later it is not so found), to the extent that such costs were incurred with respect to such claimant prior to the receipt by the State agency of notice of a determination of nonentitlement.

(2) Other authorized services provided prior to determination of entitlement to persons meeting the selection criteria may be paid for from trust funds if and when the State agency receives notice that the individual has been determined to be entitled to disability benefits.

(3) In no case, however, may services be paid for from the trust funds which are provided before

(1) The effective date of the approved amended State plan.

(ii) The beginning of the period of

disability, or

(iii) The filing of application for disability benefits, whichever is latest, or
in the case of a disabled child the date of
entitlement to child's benefits because of

(c) Reversal of determination of nonentitlement for disability benefits. Payment from the trust funds for services which have been rendered to a claimant otherwise eligible therefor who has been found not entitled to disability benefits may, if such finding is later reversed on reconsideration, appeal, or judicial review, be made retroactively for the fiscal year in which notice of the reversal is received by the State agency, provided at that time services consistent with the purpose of this subpart are being currently rendered to the claimant.

(d) Termination of disability benefits. Payment for services after receipt by the State agency of notice that entitlement to disability benefits has terminated shall not be made from trust funds, except when the services have been started and the individual case plan reflects that commitments of monies were made for those services prior to receipt of notice of such termination, i.e., written contracts, purchase orders, or equivalent authorizations have been issued, or lump sum payment may have been required to have been made in advance such as in the case of tuition or training expenses. In no case may payment be made for costs of services extending more than four months after the month in which entitlement to disability benefits terminates or in which notice that entitlement to disability benefits has terminated is received by the State agency, which ever is later.

#### § 401.117 Budgets.

Periodically, as may be required, the State shall prepare and submit a budget estimate of trust funds needed to pay the costs of vocational rehabilitation services for disability beneficiaries and for the administration of such services.

#### § 401.118 Reports.

The State shall submit reports of expenditures and case services activities in behalf of beneficiaries, in such form and in such detail and frequency as determined necessary by the Secretary. All records, procedures, and operational activities of the State agency, the costs of which are paid from trust funds, shall be subject to evaluative study, inspection, review, and audit.

Subpart E-Vocational Rehabilitation Services for Supplemental Security Income Recipients

#### 8 401.120 General.

(a) Section 1615 of the Social Security Act provides for the referral of blind or disabled supplemental security income recipients who are under age 65 to the appropriate State agency administering the State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973 and for a periodic review of their need for and utilization of available vocational rehabilitation services. Individuals so referred must accept such vocational rehabilitation services as are made available, unless there is good cause to refuse. Authorization is provided to pay the State agency the costs incurred in the provision of such services to individuals so referred.

(b) Funds appropriated under this authority will be made available for payment by the Secretary for vocational rehabilitation services (and related costs of administration) provided under the State plan approved under the Rehabili-

tation Act of 1973.

(c) To receive Federal funds for services under this subpart, each State agency is required to submit an amendment to its State plan which sets forth the policles and procedures for providing services to blind and disabled recipients in keeping with the purpose as stated below and which meets the requirements and conditions prescribed herein.

#### § 401.121 Purpose.

The purpose of the provision of vocational rehabilitation services as authorized in this subpart is to enable a maximum number of recipients to increase their employment capacity to the extent that they can engage in productive activity.

§ 401.122 Applicability of other regula-

The provisions governing vocational rehabilitation services to supplemental security income recipients, the costs of which are paid from supplemental security income program funds, must conform to all requirements elsewhere in this part governing the State vocational rehabilitation programs which are not inconsistent with the requirements prescribed in this subpart.

#### § 401.123 Definitions.

(a) "Supplemental security income recipient", or "recipient", as used in this subpart, means an individual who is receiving cash payments (or with respect to whom payments are made) under the supplemental security income program based on blindness or disability.

(b) "Productive activity" means fulltime employment, part-time employment, or self-employment wherein the nature of the work activity performed, the earnings received, or both, or the capacity to engage in such employment or self-employment, can reasonably be expected to result in termination of eligibility for supplemental security income payments, or at least a substantial reduction of such payments in accord with income exclusions applying to the blind as specified in 20 CFR Part 416, Subpart k.

#### 8 401.124 State plan requirements.

For a State to receive Federal funds appropriated for this purpose, the State plan must contain the following provisions regarding vocational rehabilitation services to supplemental security income recipients.

(a) Conformance to selection criteria.

The State plan shall provide that, to the extent funds appropriated are adequate for the purpose, vocational rehabilitation services will be furnished to recipients in the State who the State determines on the basis of medical, vocational, social, personal, or other factors are eligible for services and who meet the following requirements:

(1) The disabling impairment is not so rapidly progressive as to outrun the effect of vocational rehabilitation services to the extent that restoration of the recipient to productive activity is precluded;
(2) The disabling effect of the impair-

ment, without the services planned, is expected to remain at a level of severity which would result in the continuing

eligibility of the recipient;

(3) There is a reasonable expectation that the provision of services will enable the individual to engage in productive activity; and

(4) The reasonably predictable period of productive work activity is of sufficient duration that the expenditures made for services are expected to be offset by the non-payment or substantial reduction of supplemental security income payments which otherwise would be made to the individual.

(b) Order of selection. To the extent that the funds appropriated for this purpose are adequate, the State plan shall provide that the order of selection for services shall be in accordance with the recipient's readiness and potential for rehabilitation to productive activity and without regard to any other order of selection set forth in the State plan.

(c) Economic need test. The State plan shall provide that any recipient who meets the other requirements for yocational rehabilitation services through the use of supplemental security income program funds shall be provided authorized services without regard to any economic need test set forth in the State plan.

(d) Promptness of services. The State plan shall provide that services will be furnished with reasonable promptness to recipients selected under paragraphs (a), (b), and (c) of this section.

(e) Services available. The State plan shall provide that vocational rehabilitation services available to recipients selected for such services shall include the full range of services authorized in the Act, to the extent that such services are consistent with the purpose of this subpart, and subject to the limitations.

with respect to the use of supplemental security income program funds pre-

scribed in § 401.125.

(f) Staff, supervision and training. The State plan shall provide for staff, supervision, and training of personnel to carry out the functions of this subpart in an effective manner.

#### § 401.125 Conditions and limitations.

Costs of vocational rehabilitation services (and administration) paid from supplemental security income program funds shall be subject to the following conditions and limitations:

(a) Supplemental security income program funds will not be used to pay easts of establishment or construction of

a rehabilitation facility.

(b) Supplemental security income program funds will not be used to pay the costs of maintenance while an individual is receiving vocational rehabilitation services unless it is necessary for the individual to be away from home to receive such services. The costs of such maintenance hall not exceed the amount of increased expenses that are necessitated by the rehabilitation program.

(c) Where supplemental security income program funds are used to pay the cost of equipment, initial stock and supplies, including that for a vending stand or other small business enterprise, for the rehabilitation of a recipient, the State agency shall establish appropriate controls to assure that such equipment and stock no longer required by that recipient are utilized by another recipient. When it is unlikely that such equipment and stock will be needed by another recipient within a reasonable period of time, it may be disposed of according to usual State agency procedures with appropriate credit to the supplemental security income program funds.

## § 401,126 Payments of supplemental security income program funds.

(a) Payment and distribution of funds. (1) Payment from available funds may be made in advance or by way of reimbursement for agency costs of providing services (including administration) under an approved amended State plan.

(2) In distributing funds to the States, the Secretary will consider agency estmates, the number of recipients in the State, and such other factors as the Sec-

retary may determine.

(3) The Secretary will make necessary adjustments or redistribution on account of overpayments, underpayments, and

unused funds.

(b) Payments for services and administration. (1) Payment from supplemental security income program funds may be made for the cost of determining the eligibility for and the character of vocational rehabilitation services needed by a recipient, or an applicant for supplemental security income payments, if it appears there is a strong likelihood that such applicant will be found eligible for supplemental security income (even though later it is not so found), to the extent that such costs were incurred with

respect to such applicant prior to the receipt by the State agency of notice of a determination of ineligibility.

(2) Other authorized services provided prior to determination of eligibility for supplemental security income payments to persons meeting the selection criteria may be paid for from supplemental security income program funds if and when the State agency receives notice that the individual has been determined to be eligible for such payments.

(3) In no case, however, may services be paid from supplemental security income program funds which are provided before (1) the effective date of the approved amended State plan, or (ii) the beginning date of the individual's eligibility for supplemental security income

payments, whichever is later.

(c) Reversal of determination of ineligibility for supplemental security income payments. Payment from supplemental security income program funds for services which have been rendered to an applicant otherwise eligible therefore who has been found not eligible for supplemental security income payments may, if such finding is later reversed on reconsideration, appeal, or judicial review, be made retroactively for the fiscal year in which notice of the reversal is received by the State agency, provided at that time services consistent with the purpose of this subpart are being currently rendered to the recipient.

(d) Termination of supplemental security income payments. Payment for services after receipt by the State agency of notice that eligibility for supplemental security income payments has terminated shall not be made from supplemental security income program funds, except when the services have been started and the individual case plan reflects that commitments of monies were made for those services prior to receipt of notice of such termination, i.e., written contracts, purchase orders, or equivalent authorizations have been issued, or lump sum payment may have been required to have been made in advance such as in the case of tuition or training expenses. In no case may payment be made for costs of services extending more than four months after the month in which eligibility for supplemental security income payments terminates or in which notice that eligibility for supplemental security income payments has terminated is received by the State agency, whichever is later.

#### § 401.127 Budgets.

Periodically, as may be required, the State shall prepare and submit a budget estimate of supplemental security income program funds needed to pay the costs of vocational rehabilitation services for recipients and for the administration of such services.

#### § 401.128 Reports.

The State shall submit reports of expenditures and case services activities in behalf of recipients, in such form and in such detail and frequency as determined necessary by the Secretary. All records, procedures, and operational activities of the State agency, the costs of which are paid from supplemental security income program funds, shall be subject to evaluative study, inspection, review, and audit.

## Subpart F—Grants for Innovation and Expansion of Vocational Rehabilitation Services

#### § 401.150 Purpose.

Under section 121(a) of the Act, grants may be made for the purpose of paying a portion of the cost of planning, preparing for, and initiating special programs under the State plan in order to expand vocational rehabilitation services, including:

 (a) Programs to initiate or expand such services to the most severely handi-

capped, or

(b) Special programs to initiate or expand services to classes of handicapped individuals who have unusual and difficult problems in connection with their rehabilitation, particularly handicapped individuals who are poor and the responsibility for whose treatment, education, and rehabilitation is shared by the State agency with other agencies.

#### § 401.151 Special project requirements.

(a) All project activities to be performed under this subpart must either be included within the scope of the approved State plan, or such State plan must be amended to include them.

(b) Grants may be made to a State agency, or at the option of the State agency, to a public or nonprofit organi-

zation or agency.

(c) The approval of the appropriate State agency shall be secured prior to the granting of any funds to any organization or agency other than the State agency for the provision of direct services to handicapped individuals or for establishing or maintaining facilities which will render direct services to such individuals.

(d) Written program descriptions of activities to be conducted under grants under this subpart, including a budget for the support of such activities, shall be submitted in the form and detail and in accordance with procedures, required by the Secretary.

(e) Federal financial participation in the cost of any project under this subpart shall not exceed a period of 36 months.

(f) Any project activities in which there are human subjects at risk shall be conducted in accordance with the requirements of Part 46 of this title concerning the Protection of Human Subjects.

#### § 401.152 Allotment of Federal funds.

(a) From the sums available for any fiscal year for grants to States to assist them in meeting the costs of approved projects, each State shall be entitled to an allotment of an amount bearing the same ratio to such sums as the population of the State bears to the population of all the States. Population, as applied to any State, means the population

of that State as determined by official estimates furnished by the Department of Commerce to the Secretary by October 1 of the year preceding the fiscal year for which Federal grant funds are appropriated. For any fiscal year an allotment which is less than \$50,000 to any State shall be increased to that amount, and for the fiscal year ending June 30, 1974, no State shall receive less than the amount necessary to cover up to 90 per centum of the cost of continuing projects assisted under section 4(a) (2) (A) of the Vocational Rehabilitation Act, except that no such project may receive financial assistance under both The Vocational Rehabilitation Act and this Act for a total of time in excess of three years. The total of the increases shall be derived by proportionately reducing the allotments to each of the remaining States but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than \$50,000.

(b) If at any time after the start of any fiscal year, or after a review by the Secretary after March 1 of such fiscal year, the Secretary determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purpose of this subpart, he shall make such amount available to one or more other States which he determines will be able to use additional amounts during such fiscal year for carrying out the purposes of this subpart. Any amount made available to any State for any fiscal year pursuant to this paragraph of this section shall be regarded as an increase in such State's allotment for such year.

(c) Where the State plan designates separate agencies to administer (or supervise the administration of) the part of the plan under which vocational rehabilitation services are provided for the blind, and the rest of the plan, respectively, the division of the State's allotment between such agencies is a matter for State determination.

(d) Within each State's allotment, the Secretary may require that up to 50 per centum of available funds must be expended in connection with projects which he has first approved. If the Secretary so requires, he will notify the States of his priorities for the use of funds under this subpart for the fiscal year ending June 30, 1974, within 30 days following the effective date of this subpart and at least 90 days prior to the beginning of each fiscal year thereafter.

#### § 401.153 Payments from allotments.

From the sums allotted pursuant to \$401.152, the Secretary shall pay to each State, with respect to any project approved under this subpart, an amount up to 90 per centum of the costs of such project, consistent with annual instructions or program guidelines.

## § 401.154 Methods of computing and making payments.

The methods of computing and paying amounts pursuant to \$401.155 shall be in accordance with provisions of \$401.87.

The provisions of \$401.88 through \$401.90 are also applicable to this subpart.

## § 401,155 Federal financial participa-

- (a) Federal financial participation shall be available for: (1) Personnel (including fringe bene-
- its);
  (2) The provision of vocational re-
- habilitation services;
  (3) Equipment;
  - (4) Supplies;
  - (5) Consultant expenses;
- (6) Staff or consultant travel; and (7) Such other allowable costs under the State plan as are set forth in the
- (b) No payment shall be made from an allotment under section 121(a) of the Act with respect to any cost of a project for which payment has been made under any other section of the Act.

#### § 401.156 Matching requirements.

(a) The non-Federal share may be in cash or in-kind and may include funds spent for project purposes by a cooperating public or private nonprofit agency: Provided, That such cash or in-kind contributions are not included as a cost in any other Federally financed program.

(b) For purposes of this subpart, Federal financial participation will be provided pursuant to the matching and cost-sharing requirements prescribed by Subpart G of Part 74 of this title.

## § 401.157 Other administrative requirements.

The provisions of Part 74 of this title, establishing uniform administrative requirements and cost principles, shall apply to all grants under this subpart.

#### § 401.158 Reports.

The grantee will make such reports in such form and containing such information as the Secretary may require, and will comply with such provisions as he may find necessary to assure the correctness and verification of such reports. Such reports shall include an annual report of program accomplishments which shall reflect the extent to which programs of vocational rehabilitation services have been initiated or expanded for the most severely handicapped individuals or for other individuals who have unusual and difficult problems in connection with their rehabilitation. Where applicable, such report shall include an evaluation of the in-kind component as it affects the provision of vocational rehabilitation services within the project.

# PART 402—PROJECT GRANTS AND OTHER ASSISTANCE IN VOCATIONAL REHABILITATION Subpart A—General Provisions

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ADTHORITY: Sec. 400(b), 87 Stat. 386 (29 US.C. 780(b)).

### Subpart A-General Provisions

### § 402.1 Terms,

For purposes of this part—
(a) The terms "Act," "blind," "conaraction of a rehabilitation facility,"
"Department," "employability," "estab-lishment of a rehabilitation facility," "handicapped individual," "local agener." "maintenance," "nonprofit," "physical or mental disability," "rehabilita-tion facility," "Secretary," "severely handicapped individual," "State," "State agency," "State plan," "vocational rehabilitation services," "works of art," "workshop," shall, except where the context indicates otherwise, have the same meaning as set forth in § 401.1 of this chapter.

(b) "Applicant" means an eligible party seeking Federal financial assistance and may include in certain cases an offeror for a contract as well as an applicant for a grant.

(c) "Demonstration" means-

(1) A pilot study or experimental attempt to provide more and better vocational rehabilitation services than are available, for the purpose of testing or establishing standards or methods of service that are practicable and effective for general application in the vocational rehabilitation program; or

(2) Provision of a special type of rehabilitation service in order to test its value in rehabilitation and to provide information on costs, methods of administration, methods of providing services, or rehabilitation techniques; or

(3) Provision of vocational rehabilitation services to handicapped individuals in a specific disability category not ade-

quately served; or

(4) Application in new settings of the results derived from previous research or practice for the purpose of determining the effectiveness of new rehabilitation

procedures.

(d) "Project period" means the total period of time for which a project is approved for grant support with Federal funds. Such period may be extended beyoud the project period solely to permit continuation or completion of the same approved project by use of funds previously awarded. The approval and support of any project under this part for the maximum project period shall not preclude additional support of that project beyond such period if such support of the continued project is requested, evaluated and approved on the same basis as an initial application.

## \$402.2 Evaluation of project activities.

Activities provided Federal support under this part shall be evaluated ac-

cording to the general standards for evaluation developed by the Secretary under Subpart G (Program and Project Evaluation) of this part. In evaluating the effectiveness of such activities, consideration shall be given to both individual project performance and the total effect of a group of projects of a similar type on the achievement of program purposes. The extent to which such general standards for evaluation have been met shall be considered in deciding whether to continue, renew or supplement any Federal financial assistance under this part.

#### § 402.3 General administrative requirements.

(a) The following provisions of Part 74 of this title, implementing OMB Circular A-102, "Uniform administrative requirements for grants-in-aid to State and local governments," and establishing uniform administrative requirements and cost principles, shall apply to all grants under this part to State and local governments as defined in Subpart A of Part 74 of this title. Except for grantees from other countries under § 402.67 (International rehabilitation research, demonstration and training), such provisions of Part 74 of this title shall apply also to grants to all other grantee organizations under this part:

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(b) Any contract under this part shall be entered into in accordance with and shall conform to all applicable laws, regulations, and Department policy. Applicable cost principles are those principles specified in the Federal Procurement Regulations in 41 CFR Part 1-15.

#### § 402.4 Application content and procedures.

All applications for Federal support under this part shall be submitted in the form and detail, and in accordance with procedures, required by the Secretary.

### § 402.5 State agency review and approval.

(a) The appropriate State agency shall be afforded reasonable opportunity to review and comment on all applications and other requests for Federal support submitted under this part.

(b) The approval of the appropriate State agency shall be secured by the applicant, if other than the State agency, for any application submitted under Subpart B (Projects for the Provision of Vocational Rehabilitation Services), or Subpart C (Assistance for Rehabilitation Facilities) of this part, except where the scope of the proposed project activities extends beyond a single State.

(c) The approval of the appropriate State agency shall also be secured by the applicant, if other than the State agency. for any project under this part which involves the provision of direct services to handicapped individuals.

#### § 402.6 Scientific and technical peer review.

(a) Any application submitted under Subpart D (Rehabilitation Research) or Subpart E (Rehabilitation Training) of this part, and any application submitted under § 402.40 or § 402.41 of Subpart B of this part with special implication for rehabilitation research or training, shall receive a scientific and technical review in a group meeting of experts in an appropriate field of rehabilitation, who are not Federal employees. Such peer review shall be conducted in coordination with peer review groups established within such Federal agencies as the National Institutes of Health when such groups have expertise in matters pertaining to research or training related to the treatment and rehabilitation of handicapped individuals. Peer review groups consulting under the Act shall:

(i) Make recommendations concerning the technical merit of research and training applications prior to the award-

ing of funds;

(ii) Make recommendations concerning the technical merit of rehabilitation research and training aspects of applications for the support of special projects under § 402.40 and § 402.41 of this part; and

(iii) Provide guidance in the dissemi-nation and application of findings resulting from rehabilitation research and

training activities.

(b) Scientific and technical experts, recipients of vocational rehabilitation services, providers of vocational rehabilitation services, and administrators of vocational rehabilitation service programs shall also be utilized within a rehabilitation services policy advisory group to provide overall guidance in formulating objectives, setting priorities, reviewing implementation activities, and in reviewing short-term and long-range plans affecting rehabilitation research, rehabilitation training, and the delivery of vocational rehabilitation services.

#### § 402.7 Awards.

All awards under this part shall be in writing and shall constitute for such amounts the encumbrance of Federal funds available for such purposes on the date of the award. The award shall also specify the project period for which support is contemplated.

#### § 602.8 Federal formetal participation.

(a) Federal financial participation shall be available under this part for only those activities approved in the grant sward in accordance with the applicable provisions of the Act and only in the total amount approved in the award.

(b) Except where otherwise indicated, Federal financial participation under this part may be available for costs of (1) Personnel (including frings bene-

State :

- (2) Purchase or rental of endoment:
- (i) Supplies;

(4) Travel; (3) Committent expenses;

(5) Provision of vacational rehabilitation services to handkeepped individuals and other individuals served by the extinct.

(7) Administration and other indirect costs of the project, (except for projects under § 402.51 (Oranta for construction of rehabilitation facilities) and § 402.53 (Initial staffing grants));

(3) Minor alterations of buildings when essential to the suppossful conduct

of the project; and

(9) Such other costs, as approved by the Secretary.

Union specifically indicated. Federal francial participation will not be available for costs of soquiring, expanding, remodelling or altering any building. Couts applicable to grants under this partshall be determined pursuant to the requirements of Subpart Q of Part 16 of this title.

(c) No Federal financial participation may be furnished under this part in the cost of activities for which payment is made under another part of this chapter, or other authority.

(d) In the case of any project under this part for which Producal funds are granted to pay part of the cost, the matching grantee funds may not counts of other Federal funds or of non-Federal funds that are applied to match other Pederal funds, except as may be specifically authorized by Compress.

(e) Matching or cost sharing represents, in general, that portion of project costs not borne by the Federal government and may include each contributions, and only those in-kind contributions which constit of charges for real property and non-expendable personal property. Cash contributions include the granteer's cash outlay, including the outlay of money contributed to the grantee by third parties.

#### § 402.9 Payments.

Payments of the Federal share of an approximation of the Federal share of an open this part may be made (after necessary adjustments on account of previously made overpayments or underpayments in advance for estimated costs of operation, or as reimbursement, and in such tastallments and subject to such requirements as the Secretary may establish, Such payments shall be under payments to the requirements of Subpart R of Part 74 of this title.

#### 5 402.10 Consultant free.

Feer for consultant services under this part (except under Schoart H) are allowable to the extent that such payments are in accordance with the policies and standard practices of the agency, organization, or institution to which a grant or contract has been awarded. Pees for esmediant services may not be putt to any regular full-time Federal Government employee. They may not be noid to any other individual for activities which are ordinarily a part of his duties in another position for which there is Pederal financial participation under the Act, or which conflict with his duties in such other position.

#### \$ 402.11 Creat-related income.

The provisions of Subpart P of Part 74 of this title apply to grantees under this part.

#### § 402.12 Project revision.

(a) A grantee shall request that the project be revised whenever the approved program or financial plan of operation of the project is proposed to be makerially champed. Program revisions originating with the grantee shall be submitted in writing and will be given appropriate review prior to consideration, for approved by the Secretary.

(b) Program revisions may be initiated by the Secretary, if on the basis of reports, it appears that Federal funds are not being used effectively, or if changes are made in Federal appropriations, laws, regulations, or policies gov.

erning these grants.

(c) Budget revisions shall be made pursuant to the requirements of Subpart L of Part 74 of this title.

## § 402.13 Crant electout, respension, and termination.

Grants shall be closed out, suspended, or terminated in accordance with Subpart M of Part 74 of this title.

#### § 402.14 Grant appeals.

When a post-award decision has been made which the grantee determines to be adverse, he may appeal such decision to the Departmental Grant Appeals Board pursuants to procedures prescribed in Part 16 of this title: Provided, That such decision is of a type defined in 1185 of such part as subject to the jurisdiction of such Board.

#### § 402.15 Reports.

Reports shall be misde to the Secretary in such form and containing such information as may reasonably be necessary to enable the Secretary to perform his functions under this part.

### § 402.16 Retention of records.

(a) Pinancial records, supporting documents, statistical records, and all other pertinent records shall be maintained in accordance with the requirements of Subpart D of Part 74 of this title.

(b) Studies, evaluation, and program data developed within activities sup-

peried under this part shall be maintained for a period of three years after the termination of Federal support union otherwise specified by the Secretary

#### 8.402.37 Andit.

All fiscal transactions relating to referal support under this part are subject to such by the Pederal government is determine whether expenditures has been made in accordance with the Act, the regulations, and other requirements

#### § 402.18 Conflict of interest.

Assurance must be given that indviduals participating in the project will not use their position for a purpose that is, or gives the appearance of being mutvaited by a desire for private gain in themselves or others, particularly thus with whom they have family, business, or other ties.

#### £ 402.19 Patents.

In accordance with Department Replations (45 CFE Subtitle A, Paris 6 and 8), all inventions made in the course of or under any grand or confract under this part shall be promptly and fully reparted to the Assistant Secretary in Health, Department of Health, Eduntion, and Welfare. The project directly and other project staff shall neither have more make any commitments or obligations which conflict with the requirements of this policy. Determination as to ownership and disposition of rights to sweet the towards about the made pursuant to 174.139 of Part 19 of this title.

## § 402.20 Publications and copyright policy.

(a) The results of any activity supported under this part may be published withinto prior review by the Department. Provided, That such publications early a footnote acknowledging the Pederal support received and stating that interpretations of data do not necessarily represent interpretations of the Department. And provided, further, That copies of such publications are furnished to the Department.

(b) Where a project activity leads to the publication of a book or other coprightable material, the author is free to copyright the work, but the Department reserves royally-free, non-candade, publish or otherwise use, and to sutherize chers to use, all copyrightable or copyrighted material resulting from the grant-supported activity. In such cases, the book or other material shall contain a notice of such license.

### § 402.21 Confidential information.

(a) All information obtained as to personal facts about individuals served by any project under this part, including lists of names, addresses, photographs, and records of evaluation, shall be left to be confidential.

(b) The use of such information and records shall be limited to purposes directly counsected with the project and may not be disclosed, directly or indirectly, other than in the administration. thereof, unless the consent of the agency providing the information and the individual to whom the information applies, or his representative, have been obtained in writing. The final product of the project will not reveal any information that may serve to identify any person about whom information has been obtained without his written consent, or the written consent of his representative.

## § 402.22 Collection of data from State agencies.

Applicants for Federal support under this part for activities which will require the collection of data from either handicapped individuals being served by two or more State agencies or employees of two or more such agencies, shall submit requests for anticipated data to the anpropriate representatives of such agencles, as determined by the Secretary, prior to the submittal of applications and shall further provide assurance that similar requests shall be submitted to such representatives if the need for the collection of such data becomes evident during the course of the project. This provision shall also apply to individuals employed in projects supported under this part and individuals enrolled in courses of study within such projects.

#### § 402.23 Services to handicapped individuals.

Vocational rehabilitation services provided to handicapped individuals in rehabilitation facilities or other settings assisted under this part shall be provided according to standards consistent with the provision of services under the State plan under Part 401 of this chapter.

#### § 402.24 Protection of human subjects.

Safeguarding the rights and welfare of human subjects at risk in activities supported under grants and contracts from the Department is the principal responsiblity of the organization which receives or is accountable to the Department for the funds awarded for the support of such activity. In order to provide for the adequate discharge of this organizational responsibility, no activity involving any human subjects at risk supported by a grant or contract from the Department shall be undertaken unless the organization has reviewed and approved such activity and has submitted to the Secretary a certification of such review and approval in accordance with the requirements of Part 46 of this title concerning the Protection of Human Subjects.

## § 402.25 Nondiscrimination for reason of handicapping condition.

No qualified handicapped individual shall, solely by reason of his handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in any program, project, or activity supported under this part. No qualified individual shall be denied employment in any program, project, or activity supported under this part solely because of a physical or mental disability.

#### § 402.26 Affirmative action plan.

Applications for Federal support under this part shall specify that the grantee will develop and implement an affirmative action plan for equal employment opportunity and advancement opportunity for qualified physically or mentally disabled persons. Such affirmative action plan shall provide for specific action steps and timetables to assure such equal opportunities and shall conform with all requirements specified in regulations developed pursuant to section 504 of the Act.

## § 402.27 Wage and hour standards for workshops.

Applications for Federal support under this part from workshops shall specify that applicable Federal and State wage and hour standards will be observed.

## § 402.28 Standards for rehabilitation facilities and workshops.

Applications for Federal support under this part from rehabilitation facilities or workshops shall take into consideration any standards and criteria established by the Secretary.

# § 402.29 Nondiscrimination in employment in projects in which construction is to be performed.

Applicants for grants under this part which provide for construction, including minor alterations, shall specify that construction contracts paid for in whole or in part with funds obtained from the Federal government under this part shall include such provisions on nondiscrimination in employment as are required by and pursuant to Executive Order No. 11246 and will otherwise comply with requirements prescribed by and pursuant to such order. Such construction contracts will also provide for the development and implementation of an affirmative action plan for equal employment opportunity and advancement opportunity for qualified physically or mentally disabled persons. Such affirmative action plan shall provide for specific action steps and timetables to assure such equal opportunities and shall conform with all requirements specified in regulations developed pursuant to section 504 of the Act.

## § 402.30 Right to recover Federal

If, within 20 years after completion of any construction project for which funds have been paid under this part, the facility shall cease to be a public or other nonprofit facility, the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the U.S. district court for the district in which such facility is situated) of the facility, as the amount which the Federal participation bore to the cost of construction of such facility.

Subpart B—Projects for the Provision of Vocational Rehabilitation Services

#### § 402.40 Special projects and demonstrations; improved services to the severely handicapped.

(a) Terms. For purposes of this section—

(1) "Deaf individual whose maximum vocational potential has not been reached" means a deaf individual who has passed the age of compulsory school attendance for the State in which he resides, and whose academic and employment history indicates severely limited ability to communicate by any means; inadequate daily living and social skills; persistent lack of success in fulfilling vocational potential; and inadequate rehabilitation performance as reflected in an inability to complete a rehabilitation program in traditional rehabilitation settings.

(2) "Developmental disability" means a disability which:

a disability winch;

(i) Is attributable to (A) mental retardation, cerebral palsy, or epilepsy; or (B) is attributable to other neurological conditions found by the Secretary to be closely related to mental retardation or to require treatment similar to that re-

quired for mentally retarded individuals;
(ii) Originated before the individual
attained age 18 and has continued or can
be expected to continue indefinitely; and

(iii) Constitutes a substantial handicap to the individual.

cap to the individual.

(3) "Older blind individual" means a person who is blind as defined in § 401.1

(b) of this chapter, has attained at least the age of 55, and, by reason of the combination of disability and age, is not likely to be accepted for service by a State agency under Part 401 of this

chapter. (b) Purpose. Under section 304(b) (1) of the Act, grants may be made for the purpose of paying all or part of the cost of special projects and demonstrations, and research and evaluation in connection with such special projects and demonstrations, for establishing programs and facilities for providing vocational rehabilitation services which hold promise of expanding or otherwise improving rehabilitation services handicapped individuals, especially the most severely handicapped individuals, including individuals with spinal cord injuries, older blind individuals, deaf individuals whose maximum potential has not been reached, and individuals with developmental disabilities.

(c) Eligible applicants. Applications may be made by States and public and other nonprofit agencies and organizations

(d) Matching requirements. The Federal share shall not exceed 90 per centum of the total cost of the project.

(e) Federal financial participation. Federal financial participation may be available for costs specified in § 402.8.

(f) Project period. A project may be approved for a project period not to exceed 3 years.

(g) Evaluative component. All projects and demonstrations supported under this

section shall contain an evaluative component which shall measure program

effectiveness.

(h) Special considerations in projects and demonstrations providing services to individuals with spinal cord injuries. Approved projects providing vocational rehabilitation services to individuals with spinal cord injuries, whether administered separately or within a larger program supported in part under § 402.64, shall include provisions to

(1) Establish, on an appropriate reglonal basis, a multi-disciplinary system
of providing vocational and other rehabilitation services, specifically designed to
meet the special needs of individuals with
spinal cord injuries, including acute care
as well as periodic inpatient or outpatient follow-up and services, and coordinated, to the greatest extent possible,
with similar programs of the Veterans
Administration, the National Institutes
of Health, and other public and private
agencies and institutions;

(2) Demonstrate and evaluate the benefits of a regional service system to individuals with spinal cord injuries served in such a system and the degree of cost effectiveness so derived:

(3) Demonstrate and evaluate existing, new and improved methods and equipment essential to the care, management, and rehabilitation of individuals with spinal cord injuries; and

(4) Demonstrate and evaluate methods of community outreach for individuals with spinal cord injuries and community education in connection with the problems of such individuals in areas such as housing, transportation, recreation, employment, and community activities.

- (i) Special considerations in projects and demonstrations providing services to older blind individuals. Approved projects providing vocational rehabilitation services to older blind individuals shall contain activities which will help improve public understanding of the vocational rehabilitation problems of such older blind individuals and shall also include provisions to:
- (1) Demonstrate innovative methods of providing intensive rehabilitation services needed to rehabilitate such individuals; or
- (2) Provide mobility training services or comprehensive counseling services not otherwise available in the locality in which individuals served by the project reside; or
- (3) Conduct coordinated activities with other public or nonprofit agencies serving the blind or administering programs for older individuals under the Older Americans Act in the same area when such activities will expand or improve services for such older blind individuals.
- (1) Special considerations in projects and demonstrations providing services to deaf individuals whose maximum vocational potential has not been reached. Approved projects providing vocational rehabilitation services to deaf individuals whose maximum vocational potential has not been reached shall be planned jointly by the State agency and the appropriate by

educational agency, where applicable. Such approved projects shall contain activities which will help improve public understanding of such deaf individuals and shall also include provisions to:

 Demonstrate innovative methods of providing the specialized services needed to rehabilitate and make maximum use of the vocational potential of

such individuals; or

(2) Conduct coordinated activities with other public and nonprofit agencies administering programs for deaf persons in the same area when such activities will expand or improve services for such deaf individuals.

(k) Special considerations in projects and demonstrations providing services individuals with developmental disabilities. Approved projects providing vocational rehabilitation services to handicapped individuals with developmental disabilities shall be planned jointly with the State agency and the agency administering the State's program for persons with developmental disabilities in the locality in which the project is to be conducted, and shall also include previsions to:

(1) Initiate or expand vocational rehabilitation service programs for individuals with developmental disabilities with special rehabilitation problems resulting from the severity of their disabilities or combination of disabilities; or

(2) Demonstrate innovative techniques or methods of providing intensive vocational rehabilitation services in a manner not generally available to such individuals.

§ 402.41 Special projects and demonstrations; new approaches to service delivery.

(a) Purpose. Under section 304(b) (2) of the Act, grants may be made for the purpose of paying all or part of the cost of special projects and demonstrations, and research and evaluation in connection with such special projects and demonstrations, for applying new types or patterns of services or devices, including opportunities for new careers for handicapped individuals or other individuals in programs serving handicapped individuals.

(b) Eligible applicants. Applications may be made by States and public and other nonprofit agencies and organizations.

(c) Matching requirements. The Federal share shall not exceed 90 per centum of the total cost of the project. In projects and demonstrations providing new career opportunities, grantees will be expected to assume an increasing percentage of the new careerist expenses in order to assure that employment commitments will be met.

(d) Federal financial participation. Federal financial participation may be available for costs specified in \$402.8 and may also be available for:

(1) New careerist salary and training expenses; and

(2) Necessary supportive services to enable new careerists to secure employment. (e) Project period. A project may be approved for a project period not to exceed 3 years.

(f) Evaluative component. All projects and demonstrations supported under this section shall contain an evaluative component which shall measure program effectiveness.

(g) Selection of handicapped individuals to participate in a project. Handicapped individual, to be provided new career opportunities and supportive services under this section will be only these individuals who have been determined by the State agency to be handicapped individuals under \$401.1(k) of this chapter.

(h) Special considerations in projects and demonstrations providing new cares opportunities. Applicants will provide assurance that the occupations for which training is being provided offer possible training is being provided offer posmotion and realizable opportunity for promotion and advancement through structured channels of promotion.

§ 402.42 Grants for services for handicapped migratory agricultural workers or seasonal farmworkers.

(a) Terms. For purposes of this sec-

(1) "Family members" or "members of the family" means any relative by blood or marriage of a handicapped migratory agricultural worker or seasonal farmworker and other individuals living in the same household with whom the handicapped migratory agricultural worker or the seasonal farmworker has a close interpersonal relationship, and who are with the worker, or have accompanied the worker on his migratory tout to the point in time at which the State agency comes into contact with him.

(2) "Migratory agricultural works" means a person who occasionally of habitually leaves his place of residence on a seasonal or other temporary basis to emange in ordinary agricultural operations or in services incident to the preparation of farm commodities for the market in another locality in which he resides during the period of such employment (29 CFE Part II).

(3) "Seasonal farmworker" means a person who on a seasonal or other temporary basis engages in ordinary agricultural operations or in services incident to the preparation of farm commodities for the market within daily commuting distance from his place of

normal residence.

(4) "Transportation" means the necessary travel and related costs in connection with transporting handicapped individuals who are migratory agricultural workers or seasonal farmworkers and members of their families who are with them for the purpose of achieving the rehabilitation objectives of the handicapped migratory agricultural worker or seasonal farmworker. Transportation includes costs of travel and subsistence during travel (or per diem allowances in lieu of subsistence), and includes relocation and moving expenses necessary for the achievement of a vocational rehabilitation objective.

(b) Purpose, Pursuant to the requirements of section 304(a) of the Act, grants may be made under section 304 (c) for the purpose of paying part of the cost of projects or demonstrations for the provision of vocational rehabilitation services to handloapped individuals who are migratory agricultural workers or seasonal farmworkers and to members of their families (whether or not handloapped) who are with them, where such services are necessary to the vocational rehabilitation of the handicapped migratory agricultural worker or seasonal farmworker.

(c) Eligible applicants. Applications may be made by State vocational rehabilitation agencies or local agencies.

(d) Joint projects. A State agency may if it so desires, enter into an agreement with the State vocational rehabilitation agencies of one or more other States to develop a cooperative program for the provision of vocational rehabilitation services under this section.

(e) Matching requirements. The Federal share shall not exceed 90 per centum of the total cost of the project.

- (f) Federal financial participation. Federal financial participation may be available for costs specified in § 402.8 and may also be available for: (1) Staff training which is determined to have significant implication for improving the capacity of the State agency to serve handicapped migratory agricultural workers or seasonal farmworkers and members of their families, including the development of staff with appropriate foreign language skills where such agricultural workers or seasonal farmworkers possess limited English-speaking ability, when such training is included within a program of services to handicapped migratory agricultural workers or seasonal farmworkers and members of their families; and
- (2) Maintenance payments which will be provided at rates consistent with rates paid to handicapped individuals under Part 401 of this chapter.

(g) Project period. A project may be approved for a project period not to exceed 3 years.

(h) Special grant considerations. Each grant is subject to the conditions that:

grant is subject to the conditions that:

(1) The applicant will furnish assurances that there will be appropriate cooperation with other public and non-profit agencies and organizations having special skills and experience in the provision of services to migratory agricultural workers, seasonal farmworkers, or their families, with special reference to programs dealing with migratory agricultural workers authorized under title I of the Elementary and Secondary Education Act of 1965, section 311 of the Economic Opportunity Act of 1964, the Migrant Health Act and the Farm Labor Contractor Registration Act of 1963;

(2) Special consideration in the design of project activities shall be given to the establishment of an effective job deversal of the component and, insofar as possible, such component shall be coordinated with other agencies and organizations serving handcapped

migratory agricultural workers or seasonal farmworkers:

(3) A project advisory committee shall be established by the State agency or local agency with a membership including, to the extent appropriate, handicapped migratory agricultural workers or seasonal farmworkers.

#### § 402.43 Projects with industry.

(a) Purpose. Under section 304(d) of the Act, contracts or jointly financed cooperative arrangements may be made with employers and organizations for the establishment of projects which are designed to prepare handicapped individuals, especially severely handicapped individuals, for gainful and suitable employment in the competitive labor market including training and employment in a realistic work setting and such other services as are necessary for such individuals to continue to engage in such employment.

(b) Eligible employers and organizations. Employers and organizations with whom the Secretary may execute a contract or cooperative arrangement include any industrial, business, or commercial enterprise; labor organizations; or employer, industrial, or community trade association; or other agency or organization with the capacity to arrange, coordinate, or conduct training and other employment programs for the handicapped in a realistic work setting. Such training and employment programs shall include a planned and systematic sequence of training and instruction in occupational and employment skills, and provide reasonable assurance of gainful employment at the successful termination of such training and instruction.

(c) Matching requirements. Applicants for Federal support shall be expected to share the costs of projects. In such cases, the amount of the costs to be borne by the parties to the contract or arrangement will be a matter of negotiation.

(d) Federal financial participation.
Federal financial participation within
contracts or arrangements may be available for:

(1) The costs of job training and related vocational rehabilitation services;

(2) Instruction and supervision of trainees:

(3) Training materials and supplies, including consumable materials;

(4) Instructional aids;

(5) Excessive waste and scrap;
(6) Bonding fees, liability and insurance premiums;

(7) The purchase or modification of equipment adapted to the special capacity of handicapped individuals;

- (8) Such minor alteration and renovation as are necessary to ensure access to and utilization of buildings by the handicapped; and
- (9) Other expenses approved by the Secretary.
- (e) Prior assurances for contracts and arrangements. Prior to entering into a contract or a cooperative arrangement with an applicant, it will first be determined that there is:

 Concurrence with the project by the bargaining agent where there is a collective bargaining agreement applicable to the employer and the occupation;

(2) Reasonable assurance that the wage rate to be set for trainess will not tend to create unfair competitive labor cost advantages nor have the effect of impairing or depressing wage or working standards established for experienced workers for work of a like or comparable character.

(3) No abnormal labor condition such as a strike, a lockout, or other similar conditions, existing with respect to the

applicant; and

(4) Reasonable assurance that the State agency will, to the maximum extent practicable, maintain a continuing relationship with the handicapped individuals to be served in the project in order to provide, or ensure the awallability of, necessary vocational rehabilitation services and related supportive services.

(f) General provisions of contracts and arrangements. Any contract or arrangement entered into shall, in addition to standard provisions:

 Provide for adherence to the terms or conditions of employment prescribed by an applicable Federal, State, or local law:

(2) Provide that determination by competent authority of failure to adhere to the terms or conditions required by subparagraph (1) of this paragraph shall constitute cause for termination of the contract or arrangement;

(3) Provide that the recruitment, examination, appointment, training, promotion, retention, or any other personnel action with respect to any handicapped individual receiving training or employment, shall be without regard to race, sex, color, creed, age, or national origin, and that violation shall constitute grounds for termination of the contract or arrangement and that the United States shall have a right to seek judicial enforcement of this provision;

(4) Provide that trainees shall be compensated for hours spent in production of any goods or services;

- (5) Provide that individuals to receive training or employment services under the contract or arrangement will include only those individuals who have been determined by the appropriate State agency to be handicapped individuals who are suitable for such services;
- (6) Provide reasonable assurance that handicapped individuals successfully completing the training program will be employed by the employer or within a similar enterprise;
- (7) Specify the duration of the project:
- (8) Contain an agreement to make such reports and to keep such records and accounts as the Secretary may require and to make such records and accounts available for audit purposes; and
- (9) Contain an agreement to provide such other information as the Secretary may require.

(g) Rates under contracts or arrangements. (1) The contract or arrangement shall include the rate of compensation to be paid to trainees engaged in the production of any goods or services. In no case shall the wage rate paid a trainee be less than the following, whichever is higher

(i) The minimum entrance rate for inexperienced workers in the same occupation or if the occupation is new to the establishment, the prevailing entrance rate for the occupation among other establishments in the community or

area; or

(ii) The minimum rate required under the Fair Labor Standards Act or the Walsh-Healy Public Contracts Act, to the extent that such acts are applicable

to the trainee.

- (2) The contract or arrangement shall further provide for an increasing rate of payment to trainees if the training program is of such duration that periodic increases are reasonable and if the proficiency of such trainees merits such increases
- (h) On-the-job training. The contract or arrangement shall:
- (1) Provide for methods of instruction, progression of trainees, and size of the training group (including any appropriate combination of individualized or group training), which shall be comparable in duration to other training programs for the particular occupation, and adequate in content to qualify trainees for employment;

(2) Provide adequate and safe facili-

ties and equipment; and

- (3) Require that suitable records of attendance, performance and progress of trainees be maintained and that such records be made available to the Secretary when so requested.
- § 402.44 Projects for vocational training services.
- (a) Terms. For purposes of this sec-
- (1) "Training in occupational skills" means a planned and systematic sequence of instruction under competent supervision which is designed to impart predetermined skills and knowledge with respect to a specific occupational objective or a job family, and to assist the individual to adjust to a work environment through the development of appro-

priate patterns of behavior,
(2) "Work evaluation" means the appraisal of the individual's capacity

- (i) To adjust to a work environment;
- (ii) To acquire occupational skills; and (iii) To attain appropriate vocational goals.
- (3) "Work testing" means the utilization of work, simulated or real, to assess the individual's productive, physical, and psychological capacity to adapt to a work
- (4) "Job tryouts" means work experience, within a rehabilitation facility or in conjunction with outside industry or other community resources to assist the individual to acquire knowledge and develop skills; and to assess his readiness for job replacement or fitness to engage in a specific occupation.

- (5) "Vocational training services" in-
- (i) Training with a view toward career advancement;

(ii) Training in occupational skills;

(ili) Related services including work evaluation, work testing, provision of occupational tools and equipment required by the individual to engage in such training, and job tryouts, and

(iv) Payment of weekly training allowances to individuals receiving such train-

ing and related services.

(b) Purpose. Under section 302(b) of the Act, grants may be made to pay part of the cost of projects for providing vocational training services, leading to maximum employability, to handicapped individuals, especially the most severely handicapped, in public or other nonprofit rehabilitation facilities.

(c) Eligible applicants. Applications may be made by States and public and nonprofit organizations and agencies. The rehabilitation facility to be involved in the provision of vocational training

services, shall:

(1) Be a public or nonprofit rehabilitation facility;

(2) Have been in operation at least 1

(3) Provide training courses in occupational skills (with the major portion of each course being provided within the rehabilitation facility) and related services including work evaluation, work testing, and job tryouts and the major portion of each of these items with the exception of job tryouts, will be provided within the rehabilitation facility

(4) Meet occupational health and safety standards prescribed by regulations of the Secretary of Labor:

- (5) Substantially meet any standards for rehabilitation facilities established by the Secretary; and
- (6) Prepare trainees for gainful employment.
- (d) Matching requirements. The Federal share shall not exceed 90 per centum of the total cost of the project.
- (e) Federal financial participation. Federal financial participation may be available for costs specified in § 402.8 and may also be available for the costs of weekly training allowances.

(f) Project period. A project may be approved for a project period not to ex-

ceed 3 years.

(g) Assurances from applicant. In addition to any other requirement imposed under the Act, each grant is subject to the condition that the applicant will furnish assurances that:

(1) Weekly training allowances will not reduce, but will supplement, any wages or other remuneration due to a trainee, and the amount of the payment for the weekly training allowance will be identified and disbursed separately from any payment representing wages or other remuneration due to a trainee;

(2) No trainee will remain in training when it is determined that he is no longer making progress (as indicated by regular training progress reports) toward the completion of his training program or the development of a capability for maximum employability, or in any event for more than 2 years;

(3) In the event any portion of the vocational training services is performed outside the designated rehabilitation facility, the applicant will retain responst. bility for the quality of such services

(4) The full range of vocational training services will be made available to each trainee to the extent of his need for

such services.

- (h) Selection of individuals to participate in a project. The individuals to receive vocational training services under a project will include only individuals who have been certified as eligible pursuant to § 401.1(f) of this chapter and have been determined, by the appropriate State agency to be suitable for and in need of such vocational training services. The most severely handicapped individuals shall be selected for participation in a project prior to other handicapped individuals.
- (i) Weekly training allowances. (1) A weekly training allowance shall be available to each trainee, except that such allowance shall not be paid for any period in excess of 2 years and for any week shall not exceed \$30 plus \$10 for each dependent, or \$70, whichever is less. Dependents shall be included when their relationship to the trainee is that of spouse, parent, child under the age of 21 (including an adopted child or stepchild), or handicapped child whose dependency is related to the handicap, and who are living in the same home with the trainer. (2) The amount of the weekly training

allowance shall be determined in accordance with paragraphs (j) and (k) of this section. The adjusted weekly training allowance available to a trainet shall not be less than \$10 per week. To the extent that the weekly training allowance is paid for dependents, the amount shall be \$10 per week for each

dependent.

(3) The State agency shall make final determination, after consultation with the project facility and in accordance with the training services plan, with respect to the amount of the weekly training allowance and any adjustment to be made in the amount of the allowance.

(j) Factors considered in determining the amount of weekly training allowances. In determining the amount of such allowance the following factors

shall be considered.

(1) The extent of the need for the allowance including any expenses reasonably attributable to receipt of training services;

(2) The extent to which the allowance will help ensure entry into and satisfactory completion of training; and

(3) The extent to which the allowance will motivate the trainee to achieve a better standard of living.

(k) Factors considered in adjustment of weekly training allowances. (1) Adjustment in the weekly training allowance may be made at any time during the individual's training period and the amount of the allowance shall be reviewed periodically. The project facility

may propose the adjustment, but the final determination shall be made by the State agency.

(2) In considering whether adjustment is appropriate the following factors will be considered:

(i) Whether the trainee is earning a

wage: (ii) The relationship of the amount of wages, if any, to the amount of the allowance:

(iii) Any other material change in the economic condition of the individual or

his family; and (iv) The effect of any adjustment on

#### § 402.45 Client assistance projects.

the incentive of the trainee.

(a) Terms. For purposes of this section-

(1) "Client or client applicant" means an individual who

(i) Is seeking vocational rehabilitation services from the State agency; or

(ii) Is receiving vocational rehabilita-

tion services from the State agency; or (iii) Has been receiving vocational rehabilitation services from the State agency but the provision of such services has been terminated without his concur-

rence and he is seeking assistance in connection with the termination of such services (2) "Counselor" means a client assist-

ance worker who is functioning in the capacity of an ombudsman.

(3) "Project area" means the geographical or administrative area served by project counselors and designed in a manner to facilitate client or client applicant accessibility to the project.

- (b) Purpose. Pursuant to the requirements of section 112(a) of the Act, grants may be made under section 112 for the purpose of establishing in no less than 7 nor more than 20 geographically dispersed regions client assistance pilot projects to provide counselors to inform and advise all clients and client applicants in the project area of all available benefits under the Act, and upon request of such clients or client applicants, to assist them in their relationships with the projects, programs, and facilities providing services to them under the Act.
- (c) Project awards. Projects may be awarded only to State agencies which

shall directly administer such projects. (d) Matching requirements. No minimum share will be required of grantees.

- (e) Allowable costs. Federal assistance may be available for costs specified in § 402.8 (except for the provision of vocational rehabilitation services) and may also be available for the costs of client or client applicant travel as necessary to achieve project objectives.
- (f) Project period. A project may be approved for a period not to exceed 3 years.
- (g) Counselor responsibilities. Counselors employed within projects under this section will be responsible for:
- (1) Interpreting the vocational rehabilitation services program to clients or client applicants:

(2) Advising clients or client applicants of benefits available to them under such program;

- (3) Otherwise assisting such individuals in their relationships with projects. programs, and facilities providing vocational rehabilitation services under the Act: and
- (4) Advising State agencies of identified problem areas in the delivery of vocational rehabilitation services to handicapped individuals and suggesting methods and means of improving State agency performance.

(h) Special project considerations. Each grant shall be subject to the condition that the applicant will furnish and comply with assurances that:

(1) No project employee shall be a person who is presently serving as staff, consultant, or receiving benefits of any kind directly or indirectly from any rehabilitation project, program or facility assisted under the Act in the project area, except for individuals receiving traineeships under Subpart E of this part.

(2) The project director shall be afforded reasonable access to policymaking and administrative personnel in State and local rehabilitation agencies,

projects and facilities;

(3) All clients or client applicants within the project area shall have the opportunity to receive adequate client assistance services under the project and shall not be pressured against or otherwise discouraged from availing themselves of the client assistance services available under the project;

(4) The State agency shall make maximum effort to enter into cooperative arrangements with institutions of higher education to secure the services of graduate students who are undergoing clinical training in rehabilitation related fields, except that no compensation with funds appropriated under the Act will be provided to such students in connection with their participation in a project under this section;

(5) The project shall contain an evaluative component to measure its effec-

tiveness.

(i) Reports. An annual project report shall be submitted by the project staff through the State agency to the Secretary on the operation of the project during the previous year, including a summary of the work done, and a uniform statistical tabulation of all cases handled within the project.

#### Subpart C-Assistance for Rehabilitation Facilities

#### § 402.50 Project development grants.

(a) Purpose. Under section 301(d) of the Act, grants may be made for the purpose of assisting in meeting the costs of planning the development and construction of a specific rehabilitation facility and the services to be provided by such a rehabilitation facility.

(b) Eligible applicants. Applications may be made by public or other nonprofit agencies, institutions, or organizations which are either operating or are

studying the feasibility of operating a rehabilitation facility.

(c) Matching requirements. The Federal share shall not exceed 90 per centum of the total cost of the project.

(d) Federal financial participation. Federal financial participation may be available for costs specified in § 402.8 and may also be available for

(1) Expenses associated with the use of volunteers; and

(2) Such architectural planning as is incidental to program planning, but not including working drawings.

(e) Project period. A project may be approved for a project period of not more than 12 months.

#### Crants for construction of re-§ 402.51 habilitation facilities.

(a) Purpose. Under section 301(b) of the Act, grants may be made to assist in meeting the costs of construction of public or other nonprofit rehabilitation facilities. Construction of a rehabilitation facility may, where necessary to the effective operation of the facility, include the construction of residential accommodations for use in connection with the rehabilitation of handicapped individnals.

(b) Eligible applicants. Applications may be made by State vocational rehabilitation agencies or other public or nonprofit organizations or agencies which operate or propose to operate a public or other nonprofit rehabilitation facility

Matching requirements. amount of a grant with respect to any construction project shall be equal to the same percentage of the cost of the project as the Federal share which would be applicable in the case of a rehabilitation facility (as defined in section 645(g) of the Public Health Service Act, 42 U.S.C. 291(a)), in the same location.

(d) Federal financial participation. (1) Federal financial participation

may be available for (i) Acquisition of land in connection with construction of a rehabilitation

facility: (ii) Acquisition of existing buildings; (iii) Remodeling, alteration, renova-tion, or expansion of existing buildings;

(iv) Construction of new buildings;

(v) Architect's fees

(vi) Site survey and soil investigation: (vii) Fixed or movable equipment;

(viii) Works of art in an amount not to exceed 1 per centum of the total cost of the project; and

(ix) Other costs specifically approved in the application.

(2) Federal financial participation will not be available for the costs of offsite improvements or for the construction of any rehabilitation facility which is or will be used for religious worship or any sectarian activity.

(e) Project period. Grants shall be awarded for a project period necessary for the completion of the approved construction project except, however, that any project in which the construction has not begun during the 18-month period immediately subsequent to the approval of the application may be terminated at the end of such period by

the Secretary.

(f) Assurances from applicants. (1) In addition to any other requirement imposed under the Act, each grant in which construction is to be performed shall be subject to the condition that the applicant will furnish and comply with the following assurances and all other assurances set forth in the application for such grant:

(i) That, for a period of not less than 20 years after completion of construction of the project, it will be used as a public or other nonprofit rehabilitation

facility:

(ii) That the applicant will provide a set of plans and specifications for the proposed project in which due consideration shall be given to excellence of architecture and design; and

(iii) That the applicant will furnish an annual report and such other progress reports and other information as

the Secretary may require.

(2) The Secretary may, at any time, approve exceptions to these conditions and assurances where he finds that such exceptions are not inconsistent with the Act and the purposes of the program.

- (g) Construction standards and other standards. (1) Approved projects shall be constructed according to minimum standards of construction and equipment for rehabilitation facilities specified by the Secretary. Applicable State and local codes and regulations must be observed. The Secretary's standards must be followed where they exceed any State and local codes and regulations.
- (2) Approved projects shall meet the requirements of the Occupational Safety and Health Act (Pub. L. 91-576); the National Environmental Policy Act of 1969 and Executive Order No. 11514 (34 FR 4247) relative to environmental impact; the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," No. A 117.1-1961, as modified by other standards prescribed by the Secretary of Housing and Urban Development (24 CFR Part 40) or the Administrator of General Services (41 CFR 101-17.703); section 106 of Public Law 89-665 relative to the preservation of historic sites; Executive Order No. 11296 (31 FR 10663) relative to the avoidance of flood hazards; Executive Order No. 11288 (31 FR 9261) relative to the prevention, control, and abatement of water pollution; and in the case of State and local agencies, the regulations on relocation assistance and real property acquisition contained in Part 15 of this

#### § 402.52 Initial staffing grants.

(a) Purpose. Under section 301(c) of the Act, grants may be made to assist in paying part of the costs of compensation of the initial professional and technical staff of any public or nonprofit rehabilitation facility constructed after September 26, 1973.

- (b) Eligible applicants. (1) New applications may be made by public or other nonprofit rehabilitation facilities constructed after September 26, 1973. Continuation applications may be made by those public or other nonprofit rehabilitation facilities constructed prior to September 26, 1973, which were recipients of initial staffing grants on September 26, 1973.
- (2) Initial staffing grants may be made only with respect to the operation of a rehabilitation facility following construction. Where the rehabilitation facility is in operation prior to construction, an initial staffing grant shall be made only for additional staff which will enable the facility to provide new services or extend existing services to a substantially increased number of clients. Where the construction consists of expansion, remodeling, alteration, or renovation of an existing rehabilitation facility, such expansion, remodeling, alteration, or renovation shall be extensive enough to result in the addition of new services or the extension of existing services to a substantially increased number of handicapped individuals.
- (c) Matching requirements. amount of the Federal share under an initial staffing grant shall be related directly to the date of the commencement of the operation of the rehabilitation facility. The date of commencement of a rehabilitation facility shall be that date on which the first client is admitted for services after the completion of the related construction project or such earlier date after completion of such project as is specified in the approved application for the initial staffing grant. A grant shall not exceed 75 per centum of eligible costs for the period ending with the close of the 15th month following the month in which such operation commenced, 60 per centum of such costs for the first year thereafter. 45 per centum of such costs for the second year thereafter, and 30 per centum of such costs for the third year there-
- (d) Federal financial participation. Federal financial participation may be available for personnel costs (including fringe benefits) of initial staff as set forth in the approved application.
- (e) Project period. A project may be approved for a project period not to exceed 4 years and 3 months.

#### § 402.53 Rehabilitation facility improvement grants.

- (a) Purpose. Under section 302(c) of the Act, grants may be made for paying part of the costs of projects for rehabilitation facilities, or an organization or combination of such rehabilitation facilities, to analyze, improve, and increase their professional services to handicapped individuals, their management effectiveness or any other part of their capacity to provide employment and services for handicapped individuals.
- (b) Eligible applicants. Applications may be made by any public or nonprofit rehabilitation facility, organization or

combination of such rehabilitation facilities; In the case of rehabilitation facilities, such facilities must have been in operation for at least 12 months.

(c) Matching requirements. The Federal share of the approved project costs shall not exceed 80 per centum of the

total project cost.

(d) Federal financial participation. Federal financial participation may be available for costs specified in § 402.8 and may also be available for the costs of staff development activities, including educational leave. Personnel employed under the project shall be limited to additional staff.

(e) Project period. A project may be approved for a project period not to exceed 3 years.

#### Subpart D-Rehabilitation Research

§ 402.60 General considerations in the administration of rehabilitation research.

(a) Purpose. The primary purpose of all activities supported under this subpart is the development of new knowledge concerning the rehabilitation of handicapped individuals; the evaluation of existing knowledge in new settings; and the utilization of such knowledge in the delivery of vocational rehabilitation services.

(b) Research utilization. Each project approved under this subpart shall contain a plan designed to enhance the prompt utilization of findings of successful research and demonstration projects

(c) Coordination with related program activities. All activities supported under this part shall be administered in close ecoordination with similar program activities of the Veterans Administration, National Science Foundation, National Academy of Sciences, National Institutes of Health and other public and private agencies and institutions.

(d) Project period. A project under this subpart may be approved for a project period not to exceed 5 years.

# § 402.61 Rehabilitation research and demonstration.

- (a) Purpose. Under section 202(a) of the Act, grants and contracts may be made to pay part of the cost of projects for the purpose of planning and conducting research, demonstrations, and related activities which bear directly of the development of methods, procedures, and devices to assist in the provision of vocational rehabilitation services to handicapped individuals, especially the most severely handicapped individuals.
- (b) Scope of activities. Projects supported under this section may include medical and other scientific, technical methodological, and other investigation into the nature of disability, methods of analyzing disability, ways of ameliorating handicapping conditions, and restorative techniques; studies and analyses of industrial, vocational, social, psychological, economic and other factors affecting the rehabilitation of handicapped individuals; studies of special problems of

homebound and institutionalized individuals; studies and analyses of architectural and engineering design adapted to meet the special needs of handicapped individuals; and related activities which hold promise of increasing knowledge and improving methods in the rehabilitation of handicapped individuals especially those with the most severe handicaps.

(c) Eligible applicants. Applications for grants or contracts may be made by State agencies and by public or nonprofit agencies, and organizations, including universities and other educa-

tional institutions.

(d) Matching requirements. Federal funds will be granted on the basis of project applications, and may pay only part of the cost of the supported activity. The applicant must identify its contribution to the support of the project and is expected to finance as large a part of the total cost as possible.

# § 402.62 Rehabilitation research and training centers.

(a) Purpose. Under section 202(b) (1) of the Act, grants may be made to pay part or all of the cost of the establishment and ongoing support of rehabilitation research and training centers to be operated in collaboration with institutions of higher education for the purpose of providing coordinated and advanced programs of research in rehabilitation, and training of rehabilitation research personnel, including, but not limited to, graduate training.

(b) Scope of activities. Rehabilitation research and training centers must be located in institutions having a wellrecognized continuing coordinated program of scientific research designed to solve complex problems regarding the management of disabling conditions and preparation of handicapped individuals for employment, training of research personnel in fields contributing to the rehabilitation of the physically or mentally disabled, and related activities designed for the dissemination and utilization of new scientific knowledge leading to an improvement in the quality of vocational rehabilitation services for handicapped individuals. Individual research projects within the center will be planned so as to contribute in a sequential way to a coherent centralized body of knowledge Training of research personnel within each center must be conducted in conjunction with the research activities, including to the greatest degree possible, both client care and the generation of scientific knowledge. Research related activities may include implementation and application of research findings; dissemination of new knowledge, methods and techniques in rehabilitation; research related technical assistance to State and other agencies and rehabilitation facilities; and improvement of skills of rehabilitation practitioners.

(c) Eligible applicants. States and public or nonprofit agencies and organizations, including institutions of higher education or rehabilitation facilities having well-recognized programs of research

and associated with institutions of higher education may apply for center grants provided that the center program has a separate organizational identity.

(d) Matching requirements. Grants may be made for paying all or part of the costs of activities conducted under this section. Where part of the costs is to be borne by the grantee, the amount of grantee participation will be determined at the time of the grant award.

(e) Federal financial participation. Federal financial participation may be available for costs specified in § 402.8 and may also be available for

(1) Stipends for students (including

dependency allowances);

(2) Tuition and fees; and

(3) Student travel.

(f) Special considerations in the support of training. Traineeships awarded under this section shall be subject to the provisions of § 402.76.

#### § 402.63 Rehabilitation engineering research centers.

(a) Purpose. Pursuant to the requirements of section 201(a) (1) of the Act, grants may be made under section 202 (b) (2) to pay part or all of the cost of the establishment and support of rehabilitation engineering research centers to:

(1) Develop innovative methods of applying advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems through planning and conducting research, including cooperative research with public or private agencies and organizations designed to produce new scientific knowledge, equipment, and devices suitable for solving problems in the rehabilitation of hundicapped individuals and for reducing environmental barriers, and

(2) Cooperate with State agencies in developing systems of information exchange and coordination to promote the prompt utilization of engineering and other scientific research to assist in solving problems in the rehabilitation of

handicapped individuals.

(b) Scope of activities. Each rehabilitation engineering research center must be developed around a core research area which will be explored in depth to solve the problems in the rehabilitation of handicapped individuals through the combined efforts of medical, engineering, and related sciences. Each center program must be located in a clinical rehabilitation setting which provides an environment for cooperative research and the transfer of research findings to rehabilitation practice at a reasonable cost. Center programs may emphasize the medical-technological management of disabling conditions, the adjustment to limitations of functions of the individual and the environment, service delivery systems, or other core areas, utilizing the application of new or innovative technology, and as approved by the Secretary. Center programs must cooperate with State agencies in developing systems of information exchange and coordination to ensure the prompt utilization of research findings.

(c) Eligible applicants, Universities with recognised, well-developed clinical rehabilitation programs and cooperating medical and engineering schools, and State rehabilitation agencies or public or nonprofit rehabilitation facilities, organizations, or institutions associated with such universities may apply for grants provided that the center program has a separate organizational identity.

(d) Matching requirements. Grants may be made for paying all or part of the costs of activities conducted under this section. Where part of the costs is to be borne by the grantee, the amount of grantee participation will be determined at the time of the grant award.

# § 402.64 Spinal cord injury research program.

(a) Purpose. Under section 202(b) (3) of the Act, grants may be made to pay part or all of the cost of projects for specialized spinal cord injury research, to be coordinated with the special projects and demonstrations for the spinal cord injured under \$402.40. Such research will be designed to:

(1) Ensure dissemination of research findings among all projects supported under this section and under § 402.40

(h)

(2) Provide encouragement and support for initiatives and new approaches by individual and institutional investigators; and

(3) Establish and maintain close working relationships with the Veterans Administration, National Institutes of Health, other governmental and voluntary institutions and organizations engaged in similar efforts in order to unify and coordinate scientific efforts, encourage joint planning and promote the interchange of data and reports among spinal cord injury investigators.

(b) Scope of activities, Activities under this section must be specifically directed to the achievement of new knowledge for improving rehabilitation services for the spinal cord injured, and techniques and methods connected therewith. Research and demonstration activities must focus upon the medical, psychological, vocational, or social aspects of spinal cord injury rehabilitation. Areas of research emphasis may include, but are not limited to, the development of new rehabilitation techniques and methods, the prevention and treatment of complications; and adjustment of the spinal cord injured to catastrophic disability: innovative vocational, educational and community placement services; methods of follow-up care; and the benefits of various alternative service models. Data collection and analysis components must be included within each project since research results dissemination and utilization will be an essential part of project activities.

(c) Eligible applicants. Applications for grants may be made by State agencles, and by other public or nonprofit agencies and organizations, including institutions of higher education, hospitals, clinics and rehabilitation facilities.

(d) Matching requirements. Grants may be made for paying all or part of the

costs of activities conducted under this section. Where part of the costs is to be borne by the grantee, the amount of grantee participation will be determined at the time of the grant award.

#### § 402.65 End-stage renal disease research.

(a) Under section 202(b) (4) of the Act, grants may be made to pay part or all of the cost of a program of end-stage renal disease research, to include projects and demonstrations for providing special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the rehabilitation of persons suffering from such disease. Such research will be designed to:

(1) Ensure dissemination of research findings;

(2) Provide encouragement and support for initiatives and new approaches by individual and institutional investiga-

(3) Establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among investigators in the field of end-stage renal disease.

(b) Scope of activities. Activities under this section must be designed as part of a continuum of projects each of which will focus on specific problem aspects of end-stage renal disease. Primary emphasis will be directed to the psychosocial and vocational aspects of endstage renal disease and the development of experimental techniques and methods for achieving employment. Emphasis will also be directed towards:

(1) Collecting and disseminating information on end-stage renal disease derived under this program and related

programs;

(2) Initiating information-sharing activities and interchange of experts in cooperation with public or other nonprofit agencies and organizations; and

(3) Producing and distributing ma-terials necessary to enable the utiliza-

tion of research findings.

(c) Eligible applicants. Applications for grants may be made by State agencies and by other public or nonprofit agencies and organizations, including institutions of higher education.

(d) Matching requirements. Grants may be made for paying all or part of the costs of activities supported under this section. Where part of the costs is to be borne by the grantee, the amount of grantee participation will be determined at the time of the grant award.

(e) Federal financial participation. Federal financial participation will be available for costs specified in § 402.8.

and will also be available for:

(1) Medical and technical expenses pursuant to treatment for end-stage renal disease:

(2) Purchase or rental of renal dialysis and other machines and supplies necessary for the treatment of end-stage renal disease, when such machines and supplies are not available under other Federal, State, or other program resources;

(3) Costs attendant to the training of a patient with end-stage renal disease or members of his family in the use of renal dialysis and related equipment and in other aspects of end-stage renal disease care, including the use of home aides;

(4) Costs attendant to necessary modification of a patient's living quarters;

(5) Hospital and related medical expenses for a donor of a kidney;

(6) Laboratory fees; and (7) Tissue matching.

(f) Special grant considerations. If an individual selected to participate in a program under this section is eligible for and is receiving services for the treatment of end-stage renal disease under any other Federal, State, or other programs, the costs of such services shall not be attributed to a grant under this

#### § 402.66 International program for rehabilitation research, demonstration, and training.

(a) Purpose. Under section 202(b) (5) of the Act, the Secretary may make grants to pay all or part of the cost of a program for international rehabilitation research, demonstration, and training for the purpose of developing new knowledge and methods in the rehabilitation of handicapped individuals in the United States, cooperating with and assisting in developing and sharing information found useful in other nations in the rehabilitation of handicapped individuals, and initiating a program to exchange experts and technical assistance in the field of rehabilitation of handicapped individuals with other nations as a means of increasing the levels of skill of rehabilitation personnel

(b) Scope of activities: Research and demonstration. International research and demonstration grants for planning or conducting research in other countries must support, strengthen and, whenever possible, be fully integrated with domestic rehabilitation research activities of high priority to the United States and participating countries. Insofar as possible, research and demonstration projects shall relate to, or be closely affiliated with, a collaborating research center or institution in the United States which is conducting comparable research and demonstration activities. Research projects of high potential which had been initiated under Pub. L. 480 with counterpart funds which are no longer available may be continued under this section in order to take full advantage of rehabilitation research capabilities developed with institutions of higher education, rehabilitation centers and individual researchers in other countries.

(c) Scope of activities: Training. Grants may be made with governments and public or nonprofit organizations and agencies cooperating with the United States for short-term training of rehabilitation personnel from the participating countries when such training will be of substantial benefit to handicapped individuals in the United States. Training will be designed to provide each trainee with research as well as practitioner skills. Grants may similarly be entered into with other governments for the training of U.S. citizens in cooperating countries, where such training will lead to the development of new knowl. edge and methods in the rehabilitation of handicapped individuals in the United States.

(d) Scope of activities: Information exchange. Grants may be made with other governments, public or nonprofit domestic and international organizations and agencies to plan, cooperate and assist with the collection, translation, publication and dissemination of international program and research information of significant interest to rehabilitation practitioners and researches in the United States. International information sharing and utilization conferences, seminars and workshops may be conducted in cooperation with public and nonprofit agencies, and governments to promote the exchange of rehabilitation information in areas of priority rehabilitation concern to U.S. practitioners and researchers.

(e) Scope of activities: Interchange of experts. Grants may be made for the interchange of U.S. and foreign scientists, experts, practitioners and administrators engaged in significant rehabilitation research or service programs with special implication for improving rehabilitation knowledge and practice in the United States. Short-term fellowships, including travel and per diem not to exceed a 3 month duration, may be awarded to qualified individuals from the United States and participating countries (if counterpart funds are not available) for lecture tours, demonstrations and practical applications of new and improved techniques, methods and concepts for rehabilitating handicapped individuals.

(f) Scope of activities: Technical assistance. In cooperation with the Agency for International Development, the United Nations and other international organizations and agencies, grants may be made to cooperate with and assist countries which request technical assistance in the field of rehabilitation of the handicapped with special emphasis on increasing the levels of skill of rehabilitation personnel. Grants may also be made with other governments or research organizations within countries when such organizations possess specialized or unusual expertise not found in the United States to provide technical assistance to U.S. public and private nonprofit rehabilitation agencies and organizations.

(g) Eligible applicants. Applications for grants for international projects of research and demonstrations, international exchange of information and technical assistance may be made by international and domestic public and nonprofit agencies and organizations, including institutions of higher education. Applications for fellowships may be made

to the secretary by qualified experts. A foreign expert and scientist must have approval of the appropriate government indistry of their government before applying for a fellowship. Individuals applying for trainceships and fellowships must be citizens of their respective coun-

(h) Federal financial participation. Federal financial participation will be available for costs specified in § 402.8 except that in the case of grantees from other countries, Federal financial participation will not be available in indirect costs and Federal financial participation will be available for costs of equipment only with the prior approval of the Secretary and provided that (1) the equipment has been manufactured by a company owned and located within the United States; (2) the equipment has been proven to be essential for the conduct of the project; (3) the equipment is not available in the country where the project is being conducted; and (4) the research organization does not have sufficient funds to purchase the equipment.

#### Subpart E-Rehabilitation Training

#### \$ 402.70 Purpose.

(a) Long-term training, Under section 203(a) of the Act, grants or contracts may be made for the support of training. traineships, and related activities designed to assist in increasing the numbers of personnel trained in providing vocational rehabilitation services to handicapped individuals and in performing other functions necessary to the development of such services.

(b) Short-term training. Under section 400(a) (2) of the Act, short-term training and instruction may be provided in technical matters relating to vocational rehabilitation services, including the establishment and maintenance of traineaships, with such stipends and allowances (including travel and subsistence expenses), as are necessary.

(c) Research fellowships. Under section 400(a) (2) of the Act, research fellowships may be established and maintained in technical matters relating to rectional rehabilitation services, with such stipends and allowances (including travel and subsistence expenses), as are necessar.

#### § 402.71 Eligible applicants.

(a) Long-term training; short-term training. Applications may be made by State agencies and public or nonprofit agencies and organizations, including

institutions of higher education.

(b) Research fellowships. Applications for research fellowships may be made by any person who has a demonstrated ability and special aptitude for advanced research training or productive research scholarship in any of the professional fields which contribute to the vocational rehabilitation of handicapped persons.

#### § 402.72 Matching requirements.

(a) Long-term training. Under section 203(a) of the Act, grants and contracts may pay only part of the project cost. The applicant is expected to furnish as

large a part of the total project cost as possible. Insofar as possible, in the case of projects extending beyond one year, the applicant's share of the teaching costs is expected to increase progressively in each succeeding year and total personnel costs should be fully absorbed by the grantee at the termination of the project period.

(b) Short-term training. Although no minimum share will be required of applicants under section 400(a)(2) of the Act, they may be expected to share in the costs of the project. In such cases, the amount of grantee participation will be a matter of negotiation.

#### § 402.73 Federal financial participation.

Federal financial participation may be available for the costs specified in § 402.8 and may also be available for (a) Student stipends (including dependency allowances); (b) tuition and fees; and (c) Student travel. Except in the case of State vocational rehabilitation agencies, other agencies of a State, or agencies of local governments, indirect costs will not exceed 8 per centum of the amount allowed for direct costs, exclusive of permanent equipment, rental of space, tuition, and fees.

#### § 402.74 Project period.

(a) Long-term training. A project may be approved for a project period not to exceed 5 years.

(b) Short-term training. A project may be approved for a project period not to exceed 12 months.

#### 8 402.75 Fields of support.

Grants or contracts will be made to provide a balanced program of assistance to meet the medical, vocational and other personnel training needs of both public and private rehabilitation programs and institutions. Such balanced program will include, as appropriate, projects in remedicine, rehabilitation habilitation nursing, rehabilitation counseling, rehabilitation social work, rehabilitation psychology, physical therapy, occupational therapy, speech pathology and audiology, workshop and facility administration, prosthetics and orthotics, specialized personnel in providing services to blind and deaf individuals, recreation for ill and handicapped individuals, and other fields contributing to the rehabilitation of handicapped individuals, including homebound and institutionalized individuals. Such program will also include projects to train individuals to work more effectively with handicapped individuals with limited English-speaking ability with particular attention on the development of language skills and the understanding of the cultural needs of such individuals.

# § 402.76 Trainceships and research fellowships.

(a) Traineeships and research fellowships may provide financial support to students for technical, pre-baccalaureate, baccalaureate, graduate, post-gradnate, or special non-academic training.

(b) No training or instruction (including a combination of traineeship and research fellowship awards) shall be provided to an individual for any one course of study extending for a period in excess of four years.

(c) Each trainee and fellow must meet the following general requirements:

 He must be a United States citizen or a foreign national lawfully admitted to the United States for permanent residence;

(2) He must take the training only at the educational institution or agency designated in the traineeship or fellowship award:

(3) He must not be an employee of the Federal Government; and

(4) He must not concurrently receive educational allowances from any other Federal, State, or local public or voluntary agency when that allowance is conditioned on a conflicting employment obligation incurred by the trainee, except for federally assisted student loans, or educational allowances or beanfits payable under chapters 34, 35, and 36 of Title 38, U.S.C. as limited by section 213 of the Veterans Education and Training Amendments Act of 1972, or educational allowances or benefits for veteraus payable under any State or local program.

(d) An applicant for a traineeship must apply to the institution or agency which has been awarded a grant for traineeships under this subpart. Selection of all trainees is made by the insti-

tation or agency.

(e) Applicants for research fellowships must the applications in accord with procedures prescribed by the Secretary.

#### Subpart F—National Center for Deaf-Blind Youths and Adults

#### § 402.80 Terms.

For the purpose of this subpart

(a) "Center" means the National Center for Deaf-Blind Youths and Adults, including its field offices;

(b) "Deaf-blind individuals" means persons who are blind as defined in § 401.1(b) of this chapter and have a chronic hearing impairment so severe that most speech cannot be understood with optimum amplification and the combination of the two disabilities causes extreme difficulty for the person to attain independence in activities of daily living, psychosocial adjustment, or in the pursuit of a vocational objective; and

(c) "Grantee" means the public or nonprofit agency or organization selected as the party to the agreement to receive funds for the construction and operation of the National Center for Deaf-Blind Youths and Adults.

#### § 402.81 Purpose.

Under section 305 of the Act, the Secretary may enter into an agreement with any public or nonprofit agency or organization for payment of all or part of the costs of the establishment and operation, including construction and equipment, of a center for the vocational rehabilitation of handicapped individuals who are both deaf and blind, which

shall be known as the National Center for Deaf-Blind Youths and Adults.

#### 8 402.82 Proposals.

The scope of the commitment in the agreement shall encompass, but not be limited to, the following areas of activ-

(a) The construction of a facility for the vocational rehabilitation of handicapped individuals who are both deaf and blind, which will be especially adapted to the needs of deaf-blind individuals

(b) The demonstration of methods which provide the specialized intensive services and other services, needed to rehabilitate handicanoed individuals who

are both deaf and blind;

(c) The training of professional and allied personnel needed to staff facilities specifically designed to provide such services and training of such personnel who have been or will be working with deafblind individuals.

(d) The conduct of research with respect to the problems of deaf-blind individuals and their rehabilitation:

(e) The conduct of related activities which will expand or improve the services for deaf-blind individuals, and

(f) The improvement of public understanding concerning the needs of deafblind individuals.

#### £ 402.83 Agreement.

The agreement shall:

(a) Provide that Federal funds paid to the grantee for the Center will be used only for the purpose for which paid and in accordance with the applicable provisions of the Act, these regulations, and the terms and conditions of the agree-

(b) Provide that the grantee will make annual fiscal, progress and other special reports at such time and in such form as required by the Secretary.

#### § 402.84 Selection of grantee.

The selection of the grantee will be made by the Secretary with preference given to the application that:

(a) Gives promise of maximum effectiveness in the organization and operation of the Center, and

(b) Gives promise of offering the most substantial skill, experience and capability in providing a broad program of service, research, training, and related activities in the field of rehabilitation of deaf-blind individuals.

#### Subpart G-Program and Project Evaluation

#### § 402.90 Program and project evalua-

(a) Purpose, Under section 401(a) (1) of the Act, the Secretary shall measure and evaluate the impact of all programs authorized under the Act, in order to determine their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services.

(b) Awards. Contracts may be awarded to any agency or organization with the

demonstrated capacity to conduct evaluation studies under this subpart. Contracts for the study of program activities conducted under the Act may only be awarded to agencies or organizations which are not immediately involved in the administration of the program or project to be evaluated.

(c) Standards for evaluation, Part 410 of this chapter contains the Secretary's general standards for:

(1) The evaluation of programs au-

thorised under the Act; and (2) The evaluation of project effec-

tiveness in achieving the objectives of the Act.

(d) General considerations in program and project evaluation activities. (1) Evaluation studies shall be conducted only by persons not immediately involved in the administration of the program or project being evaluated.

(2) Where appropriate, comparisons with appropriate control groups, composed of persons who have not particlpated in such programs, will be included

in evaluation studies.

(3) Evaluation studies shall reflect continuing technical competence and program relevance, and shall be designed

to assure timely progress.

(4) In carrying out evaluation studies of programs and projects supported under the Act, the Secretary shall, whenever possible, arrange to obtain the specific views of persons participating in such programs and projects, and handicapped individuals served by such programs and projects.

(e) Special considerations in the evaluation of rehabilitation research and demonstrations. (1) The Secretary shall, on an annual basis, and after taking into consideration the views of the State agencies, design evaluation studies concerned with the conduct of rehabilitation research and demonstration activities under Subpart D of this part which shall be used to:

(i) Reassess priorities to which such activities should be directed; and

(ii) Review present research, demonstration, and related activities to determine in terms of the purposes specified in Subpart D of this part, whether and on what basis such activities should be continued, revised, or terminated.

(2) Within 12 months after enactment of the Act, and on each April 1 thereafter, the Secretary shall prepare and furnish to the appropriate commiltees of Congress a complete report of such determination and review cited in this section, along with such recommendations as may be appropriate.

### § 402.91 Intramural research.

Under section 400(c) of the Act, the Secretary shall (directly or by grants or contracts) conduct studies, investigations, and evaluation of programs authorized by the Act, and make reports, with respect to abilities, aptitudes, and capacities of handicapped individuals, the development of their potentials, their utilization in gainful and suitable employment, and with respect to architectural, transportation and other environmental and attitudinal barriers to the rehabilitation, including the problems homebound, institutionalized, and give blind individuals.

# Subpart H-Technical Assistance

#### \$ 402.100 Furnishing of technical as sistance.

Technical assistance authorized in setion 304(e) of the Act will be furnished directly, or by contract with Size vocational rehabilitation agencies or enperts or consultants or groups thered technical assistance an provide consultation:

(a) To public and nonprofit relate. tation facilities in matters of projesional or business practice within to

facility and

(b) To public and nonprofit assure institutions, organizations, or facility for the purpose of planning or effects the removal of architectural and tranportation barriers.

#### § 402.101 Per diem payments.

Experts or consultants, while providing technical assistance consultation pursuant to § 402.100, shall be entitled to receive compensation at rates find by the Secretary, but not exceeding to prorated pay rate for a person employed at a GS-18, under section 5332 of Tiki United States Code, including true time, and while so serving away from their homes or regular places of business they may be allowed travel expenses, h cluding per diem in lieu of subsistence w authorised by section 5703 of Title 1 United States Code, for persons in fa government service employed internstently.

#### § 402.102 Recommendations and # ports.

A rehabilitation facility or public of nonprofit agency, institution, organiztion or facility which receives technis assistance consultations will be furnished with the recommendations of the or sultant. A copy of the recommendation will also be furnished to the appropriate State agency. The rehabilitation facility or public or non-profit agency, institu tion, organization or facility received the technical assistance will be expected to provide a prompt report to the Deparment concerning the consultation and report 6 months afterwards as to has been done about the recommendtions.

PARTS 403, 404, 405, 406, 407, and 4th [DELETED]

#### PART 409—VENDING STAND PROGRIM FOR THE BLIND ON FEDERAL AND OTHER PROPERTY

Sec. 609.1 409.2

Application for designation as hear ing agency; general. 409.3 Application for designation as lices

ing agency; content. 409.4 Bules and regulations of licensis agency; general.

- note and regulations; ownership by SOUTH OF REAL PROPERTY.
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- ing agency, procedures. 48 If Beneation of designation as licensing agency; effect.

Armoury: The provisions of this Part 45 head under set. 2, 40 Stat. 1550, as granted: 20 U.S.C. 107s.

#### 1499.1 Terms.

Unless otherwise indicated in this part, the terms below are defined as follows: (a) "Act" means the Randolph-Shep-

- said Vending Stand Act (Pub. L. 732, Wh Cong., 49 Stat. 1559, as amended by setion 4 of Pub. L. 565, 83d Cong., ( Stat. 663; 20 U.S.C. 107, chapter 6A). (b) "Secretary" means the Secretary
- d Health, Education, and Welfare. (c) (Revoked).

- (d) "Licensing agency" means the State agency designated by the Secretary persont to the Act and this part, to lime licenses to blind persons for the peration of vending stands on Pederal and other property.
- (e) "Commission for the Blind" means a State agency which provides services exclusively for the blind and other visually handicapped individuals. (f) "Program" means all the activities

of the licensing agency, pursuant to the Act and this part related to vending Mands on Federal and other property.

- (g) "Federal property" means any building, land, or other real property, owned, leased, or occupied by any department or agency of the United States or any instrumentality wholly owned by the United States, or by any department or agency of the District of Columbia or any Territory or possession of the United States.
- (h) "Other property" means property which is not Federal property and on which vending stands are established or operated by the use of any funds derived in whole or in part, directly or indirectly, from the operation of vending stands on
- any Federal property. (i) "License" means a written instrument issued by the licensing agency to a blind person, pursuant to the Act and this part, authorizing such person to operate a vending stand on Pederal or other property.
- (f) "Operator" means a blind person licensed to operate a vending stand on Federal or other property under the Act. (k) "Permit" means the official au-
- therization given a licensing agency by a department or agency in control of the maintenance, operation, and protection of Federal property, or person in control

of other property, whereby the licensing agency is authorized to establish a vending stand.

(1) "Rehabilitation Act of 1973" means that Act (29 U.S.C. ch. 16).

- (m) "Vocational rehabilitation services" means those services as defined in 1 401.1 (ee) (1) and (2) of this chapter.
- (n) "State vocational rehabilitation agency" or "State agency" means that agency in the State providing vocational rehabilitation services to the blind as the sole State agency under a State plan approved pursuant to the provisions of the Rehabilitation Act of 1973.

(o) "Vending stand" means:

- (1) Such shelters, counters, shelving, display and wall cases, refrigerating apparatus, and other appropriate auxiliary equipment as are necessary for the vending of such articles as may be approved by the licensing agency and the Pederal department or agency having control of the maintenance operation and protection of Federal property or person in the control of other property; and
- (2) Manual or coin-operated vending machines or similar devices for vending
- such articles. (p) "Blind person" means a person having not more than 10 per centum visual acuity in the better eye with cor-

rection. This means a person who has (1) Not more than 20/200 central visual acuity in the better eye after cor-

(2) An equally disabling loss of the rection; or visual field; i.e., a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20°. Such blindness shall be certified by a duly licensed ophthal-

(q) "State" means a State, territory, or mologist. possession, or the District of Columbia.

#### § 409.2 Application for designation as licensing agency; general.

- (a) Applications for designation as licensing agency may be submitted only by a State vocational rehabilitation agency
  - (b) The application shall: (1) Be submitted in writing to the
- Secretary; (2) Be approved by the chief execu-
- tive of the State; and (3) Be transmitted over the signature of the executive officer of the State agency making application.

#### § 409.3 Application for designation as licensing agency; content.

The application shall indicate:

(a) The licensing agency's legal authority to perform the functions necessary for the administration of the program, including its authority to issue regulations to govern the program which would have the force and effect of law within the State, and that such regulations will be issued in accordance with the provisions of State law.

(b) The licensing agency's organization for carrying out the program, including the methods of coordinating the

vending stand program and the vocational rehabilitation program.

(c) The broad policies and standards to be employed in the selection of suitable locations for vending stands

(d) The policies to be followed in making suitable vending stand equipment and adequate initial stocks of merchandise available and the sources of funds to be used therefor.

(e) The sources of funds for the management of the program and the amounts of funds, if any, to be set aside from the proceeds of the operation of vending stands

(f) The policies and standards goveming the relationship of the licensing agency to the operators, including their selection, duties, supervision, transfer, and financial participation

(g) The methods to be followed in providing suitable training to blind persons selected for licensing under the program.

(h) The arrangements made or contemplated, if any, for the utilization of the services of any agency or organizations; the agreements therefor and the services to be provided; the procedures for the supervision and control of the services provided by such agency or organization and the methods used in evaluating services received, the basis for renumeration, and the fiscal controls and accounting procedures.

(i) The arrangements made or contemp'ated, if any, for the vesting in accordance with the laws of the State, of the right, title to, and interest in vending stand equipment or stock (including vending machines), used in the program in a nominee of the licensing agency to hold such right, title to, and interest for program purposes.

(I) That the designated State licensing agency will:

(1) Cooperate with the Secretary in carrying out the purpose of the Act; (2) Take effective action, including

the termination of licenses, to carry out full responsibility for the management and operation of each vending stand in its program, in accordance with its established rules and regulations, this part, and the terms and conditions governing the permit;

(3) Submit promptly to the Secretary a description of any changes in the legal authority of the licensing agency, its rules and regulations, and any other matters which form a part of the application;

(4) If it intends to set aside, or cause to be set aside, funds from the proceeds of the operation of vending stands, obtain a prior determination by the Secretary that the funds to be set aside do not exceed a reasonable amount;

(5) Furnish each operator a copy of its rules and regulations and a description of the arrangements for providing services, and take adequate steps to assure that each operator understands the provisions of such documents and the provisions of the permit and any agreement under which he operates, as evidenced by his signed statements; and

(6) Make such reports in such form and containing such information as the Secretary may from time to time require and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports.

#### \$ 409.4 Rules and regulations of licensing agency; general.

(a) The State agency shall submit with its application rules and regulations which it has issued or proposes to promulgate immediately upon approval of its application. In the event proposed rules and regulations are submitted, the licensing agency shall within a reasonable time after the approval of its application, submit a copy of the promulgated regulations. Such rules and regulations shall contain adequate provisions to enable the licensing agency to carry out its responsibilities under the Act and this part, and to assure the conduct of the program and the operation of each vending stand in accordance with the Act, this part, and the regulations and conditions of the departments and agencies in control of maintenance, operation, and protection of Federal property, including the conditions contained in the permits, as well as all applicable State laws, local ordinances and regulations.

(b) Such rules and regulations and amendments thereto shall be filed or published in accordance with State law.

(c) Such rules and regulations shall include provisions adequate to insure that the right, title to, and interest in each vending stand used in the program and the stock will be vested in accordance with the laws of the State in only the following:

(1) The licensing agency;

(2) Its nominee, subject to the conditions specified in § 409.9(b); and

The operator. The decision whether title may be vested in the operator rests with each State.

(d) Notwithstanding the provisions of paragraph (c) of this section, any right, title to, or interest which existed on June 30, 1955, in stock may continue

(1) The interest is with respect to the stock of a stand established under the program prior to July 1, 1955, and

(2) The operator was licensed in the program (whether or not for the operation of the vending stand in question) prior to July 1, 1955.

#### § 409.5 Rules and regulations; ownership by operators.

If a State decides that title may be vested in the operator, the rules and

regulations shall specify:

- (a) That a written agreement shall be entered into with each operator who is to have such ownership, such agreement containing in full the terms and conditions governing such ownership in accordance with criteria in the State agency's regulations, any applicable Federal regulations and the terms and conditions of the permit.
- (b) Reasonable criteria to govern the determination as to the circumstances under which title may be so vested. Such criteria shall contain reasonable provi-

sions to enable an operator to purchase vending stand equipment. No individual may be denied the opportunity to become an operator because of his inability to purchase the vending stand equipment or the initial stock.

(c) Whether the operator-owner or licensing agency shall be required to maintain the vending stand in good repair and in an attractive condition and replace worn-out or obsolete equipment; and if the former, provide that upon his failure to do so, the licensing agency may make or cause to be made, the necessary maintenance, replacement, or repairs and make equitable arrange-

ments for reimbursement. (d) That where the operator owns such equipment and is required to maintain the vending stand in good repair and in an attractive condition and replace worn-out or obsolete equipment or agrees to purchase additional new equipment, service charges for such purposes shall be equitably reduced, and the method for determining such amount.

(e) That the State licensing agency shall retain a first option to repurchase such equipment, and in the event the operator dies, or for any other reason ceases to be a licensee or transfers to another vending stand, ownership of such equipment shall become vested in the licensing agency subject to an obligation on its part to pay to such operator or his estate, the fair value therein as determined in accordance with its regulations.

(f) That the operator, his personal representative or next of kin shall be entitled to an opportunity for a fair hearing with respect to the determination of the amount to be paid by the licensing agency for an operator's ownership in the equipment.

(g) The method to be used in determining the fair value of the operator's ownership in the equipment.

# § 409.6 Rules and regulations: issuance and conditions of licenses.

The rules and regulations of the licensing agency shall further provide:

(a) Objective criteria for licensing qualified applicants, including a provision for giving preference to blind persons who are in need of employment and have resided for at least one year in the State in which the stand is to be located. Such criteria shall also include provisions to assure that licenses will be issued only to persons who are determined by the licensing agency to be:

(1) Blind;

(2) Citizens of the United States;

(3) At least 21 years of age; and (4) Certified by the State vocational rehabilitation agency as qualified to operate a vending stand.

(b) For the issuance of licenses for an indefinite period but subject to termination if, after affording the operator an opportunity for a fair hearing, the licensing agency finds that the vending stand is not being operated in accordance with its rules and regulations, the terms and conditions of the permit, or the agreement with the operator.

(c) For the assignment to the opentor of the income from vending machine within reasonable proximity to and in direct competition with the vending stand. (If a vending machine vends as ticles of a type authorized by the permit and is so located that it attracts cus. tomers who would otherwise patronize the vending stand, such machine shall be considered to be in reasonable proximity to and in direct competition with the stand.)

(d) The policies to govern the duties supervision, transfer and financial participation of the operators.

#### § 409.7 Rules and regulations; hearing.

The rules and regulations shall sperify the procedure whereby the licensing agency affords an opportunity for a fair hearing to each operator (or to his personal representative or next of kin in cases described in § 409.5(f)) dissatisfied with any action arising from the operation or administration of the vending stand program.

#### § 409.8 Rules and regulations; set aside of funds.

The rules and regulations of the licensing agency shall specify the extent to which funds are to be set aside or caused to be set aside from the proceeds of the operation of the vending stands and that in no case will the amounts to be set aside exceed a reasonable amount as determined by the Secretary. Funds may be set aside only for the purposes of (a) Maintenance and replacement of

equipment:

(b) The purchase of new equipment; (c) Management services:

(d) Assuring a fair minimum of return to operators of vending stands; and the rules and regulations of the licensing agency shall set out the method of determining the charge for each of the above listed purposes. Such method will be designed to prevent, so far as is practicable, a greater charge for any purpose than is reasonably required for that purpose. The rules and regulations shall further provide that adequate records will be maintained to support the reasonableness of the charges for each d the purposes listed in this section.

#### § 409.9 Use of servicing arrangement

(a) The licensing agency may enter into an agreement whereby another agency or organization undertakes to furnish services. Such agreement shall be in writing and contain provisions which:

(1) Clearly insure the retention by the licensing agency of full responsibility for the management and operation of all phases of the program;

(2) Specify the type and extent of the services to be provided under such agreement;

(3) Provide that no charges will be collected from operators except as specified in such agreement;

(4) Specify that such other agency of organization may not be allowed to exercise any function with respect to funds for the purchase of new equipment or for assuring a fair minimum of return to operators, except to collect and hold solely for the purchase of new equipment or for order of the licensing agency any charges authorized for those purposes by the licensing agency; and

(5) Specify that only the licensing agency shall have control with respect to selection, placement, financial participation and termination of the operators, and the preservation, utilization, and

disposition of program assets.

(b) If the licensing agency permits any agency or organization other than an operator to hold any right, title to, or interest in vending stands or stock, the arrangement shall be one permitted by State law and shall specify in writing that all such right, title to, or interest is held as the nominee of the licensing agency for program purposes and subject to the paramount right of the licensing agency to direct and control the use, transfer, and disposition of such vending stands or stock.

# § 409.10 Approval of application for designation as licensing agency.

When the Secretary determines that the application and rules and regulations (or proposed rules and regulations) indicate a plan of program operations which will stimulate and enlarge the economic opportunities for the blind and meet the other requirements of the Act and of this part, he shall approve the application and shall designate the applying agency as the State licensing agency.

## § 409.11 Permit for establishment of vending stands.

Prior to the establishment of each vending stand, the designated State licensing agency shall submit and have approved, in accordance with regulations of the department or agency in control of the maintenance, operation, and protection of the Federal property (or procedures of the person in control of other property), an application for a permit setting forth the exact location, the amount of space to be occupied, the type of shelter and/or equipment, the types of items of merchandise to be offered for sale at each vending stand, including the number, location, and types of vending machines and other terms and conditions desired to be included in the permit.

# § 409.12 Maintenance and repair of vending stands.

The licensing agency shall maintain (or cause to be maintained) all vending stands in good repair and in an attractive condition and shall replace or cause to be replaced wornout and obsolete equipment as required to insure the continued successful operation of the stand.

# § 409.13 Revocation of designation as licensing agency.

The Secretary shall revoke the designation of any licensing agency if he finds after affording such agency an opportunity for a hearing, as hereinafter provided, that, in the administration of the program, there is a failure on the part of such agency to comply substantially with the provisions of the Act or of this part.

# § 049.14 Revocation of designation as licensing agency; procedures.

(a) If the Secretary has reason to believe that, in the administration of the program, there is a failure on the part of any licensing agency to comply, substantially with the Act and this part, he shall so inform such agency in writing, setting forth, in detail, the areas in which there is such failure and giving it a reasonable opportunity to comply.

(b) If, after the lapse of a reasonable time, the Secretary is of the opinion that such failure to comply still continues and that the licensing agency is not taking the necessary steps to comply, he shall offer to such agency, by reasonable notice in writing thereto and to the chief executive of the State, an opportunity for a hearing before the Secretary (or person designated by the Secretary) to determine whether there is a failure on the part of such agency to comply substantially with the provisions of the Act and of this part.

(c) If it is thereupon determined that there is a failure on the part of such agency to comply substantially with the Act and this part, appropriate written notice shall be given to such agency and to the chief executive of the State revoking said agency's designation as licensing agency effective 90 days from the date of such notice.

(d) If, before the expiration of such 90 days, the Secretary (or person designated by him) determines that the licensing agency is taking the necessary steps to comply, he may postpone the effective date of such revocation for such time as he deems necessary for the best interest of the program.

(e) If, prior to the effective date of such revocation, the Secretary (or person designated by him) finds that there is no longer a failure on the part of the licensing agency to comply substantially with the provisions of the Act and of this part, he shall so notify the agency and the chief executive of the State, in which event the revocation of the designation shall not become effective.

# § 409.15 Revocation of designation as licensing agency; effect.

(a) Effective upon the receipt of the notice of revocation of a State agency's designation as licensing agency, in accordance with § 409.14(c), the licensing agency's authority to issue licenses to blind persons for the operation of vending stands on Federal and other property under the Act and this part shall be suspended, except upon special authorization by the Secretary.

(b) After the effective date of the revocation of a State agency's designation as licensing agency, such agency shall have no authority to issue licenses to blind persons for the operation of vending stands under the Act and this part.

(c) If, at the expiration of 60 days from the effective date of a revocation of a State agency's designation as licensing agency, no other agency in the State is designated, pursuant to the provisions of the act and this part, as licensing agency, all licenses issued by the agency whose designation has been revoked shall terminate.

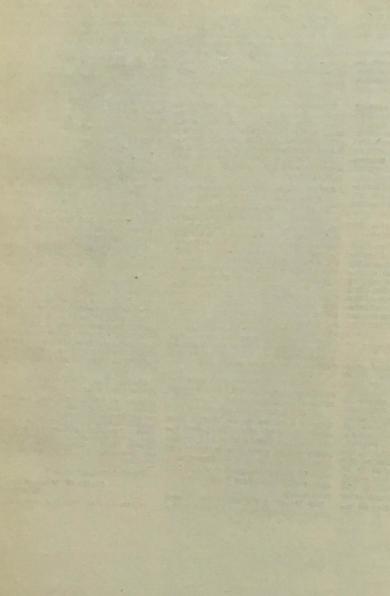
Effective Date: These regulations shall be effective December 5, 1974.

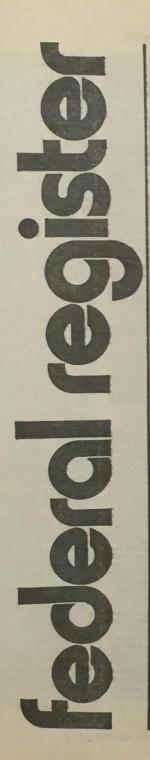
(Catalog of Federal Domestic Assistance Program Nos. 13.746, Rehabilitation Services and Facilities—Basic Support; 13.747, Vocational Rehabilitation Services for Social Security Disability Beneficiaries; 13.763, Rehabilitation Services and Facilities—Special Projects; 13.765, Rehabilitation Research and Demonstrations; 13.767, Rehabilitation Trainine)

Dated: November 29, 1974.

Caspar W. Weinberger, Secretary.

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PART III



# ENVIRONMENTAL PROTECTION AGENCY

AIR QUALITY
IMPLEMENTATION
PLANS

Prevention of Significant Air Quality Deterioration Title 40—Protection of Environment
CHAPTER I—ENVIRONMENTAL

PROTECTION AGENCY
SUBCHAPTER C—AIR PROGRAMS
[FRL 302-4]

PART 52—APPROVAL AND PROMULGA-TION OF IMPLEMENTATION PLANS

Prevention of Significant Air Quality Deterioration

On May 31, 1972 (37 FR 10842), the Administrator of the Environmental Protection Agency published initial approvals and disapprovals of State Implementation Plans submitted pursuant to section 110 of the Clean Air Act, as amended in 1970.

On November 9, 1972 (37 FR 23836).

all State Implementation Plans were disapproved insofar as they failed to provide for the prevention of significant deterioration of existing air quality. This action was taken in response to a preliminary injunction issued by the District Court for the District of Columbia, which also required the administrator to promulgate regulations as to any state plan which either permits the significant deterioration of air quality in any portion of any state, or fails to take the measures necessary to prevent such significant deterioration.

Accordingly, on July 16, 1973 (38 FR. 18986), an initial notice of proposed rulemaking was published which set forth four alternative plans for preventing stgnificant deterioration, and which solicited widespread public involvement in all aspects of the significant deterioration issue. A series of public hearings were held and over 300 written comments were submitted in response to this proposal. The hearing records and the written comments are available for inspection at the EPA Freedom of Information Office, 401 M Street, SW., Washington, D.C.

Due to the lack of precise direction either in the Clean Air Act or in the Court order, the initial proposals focused on the conceptual basis for regulations. The comments received on the proposed regulations therefore tended primarily to discuss conceptual issues such as the roles of federal and state/local governments, rather than detailed comments regarding implementation of the regulations. Accordingly, on August 27, 1974 (39 FR 31000), the Administrator issued reproposed regulations in order to properly explore all aspects of this issue and to focus more clearly on procedural and technical

The Administration has submitted for consideration an amendment to the Act which would eliminate the requirement for preventing significant deterioration of air quality. This amendment is pending before the Congress. Although EPA does not endorse this amendment, EPA seeks full public debate on the significant deterioration issue and in issuing these regulations does not intend to delay or influence consideration of this amendment. The regulations issued herein are necessary because the Court has ruled that the current Clean Air Act requires

the Administrator to prevent significant deterioration, and this requirement must be met even though it is possible that Congress may provide additional guidance and/or legislative changes in the future.

The regulations proposed on August 27, 1974, called for the establishment of "classes" of different allowable incremental increases in total suspended particulates (TSP) and sulfur dioxide (SO1), Class I applied to areas in which practically any change in air quality would be considered significant; Class II applied to areas in which deterioration normally accompanying moderate well-controlled growth would be considered insignificant; and Class III applied to those areas in which deterioration up to the national standards would be considered insignificant. Under the proposed regulation, all areas of the country would be designated Class II initially, with provisions for allowing States to reclassify any area to accommodate the social, economic, and environmental needs and desires of the public.

The plan would be implemented through a preconstruction review of specified source categories to determine whether these sources would cause a violation of the appropriate increments. The new source review also included a provision requiring the use of best available control technology on sources covered by the regulation. Finally, the proposal provided procedures for public comment on each application for permission to construct and for delegating the responsibility for implementing the new source review procedures to States or local governmental units.

#### DISCUSSION OF PUBLIC COMMENTS

The August 27 proposal was criticized by environmental groups as being unresponsive to the District Court's order in that it permits the deterioration of air quality up to the national standards in Class III regions. Although this result could also occur in Class I or Class II regions where the difference between existing air quality and the national standard is less than the prescribed air quality increment, all such comments focused on the provision for Class III areas. Unless "significant deterioration" is defined as a percentage of the "unused" air resource, any air quality increment plan, regardless of how small the increment is, could allow deterioration up to the national standard in some instances. As discussed in the preamble to the proposals of July 16, 1973, and August 27, 1974, air quality monitoring is presently concentrated in heavily polluted areas, with only scattered monitoring in relatively clean areas. Vast numbers of additional monitors will be necessary to precisely define existing air quality, making a plan that is dependent on a knowledge of existing air quality virtually unworkable. Therefore, the fact that air quality could, in some instances, increase to the national standard, does not, in the Administrator's opinion, make the August 27 proposal inconsistent with the Court's ruling.

Additional comments involving Class III areas indicated that economic and social factors should have no bearing on the definition of significant deteriors. tion. These comments stated that EPA must consider only air quality factor and that a single nationwide definition of significant deterioration must be established. Such comments did not take issue with Agency statements made on July 16, 1973, and August 27, 1974 that the definition of significant deteriors. tion is basically a subjective decision.

None of the comments suggesting changes to the increments proposed by the Administrator, or proposing alternate plans, offered any justification for the numbers which were selected. Since the consideration of "air quality factors" alone essentially leads to an arbitrary definition of what is "significant" this term only has meaning when the economic and social implications are analyzed and considered. Therefore, the Administrator believes that it is most important to recognize and consider these implications, since the considertion of air quality factors alone provides no basis for selecting one deterioration increment over another.

Even in the subjective terms that are required when considering only the environmental aspects, the contention that there must be a single definition of significant deterioration applicable nationwide does not appear to address the wide range of environmental needs which exist. Most of the comments implicitly recognized that there is a need to develop resources in presently clean areas of the country, and that significant deterioration regulations should not preclude all growth, but should ensure that growth occurs in an environmentally acceptable manner. However, there are some areas, such as national parks, where any deterioration would probably be viewed as significant. A single nationwide deterioration increment would not be able to accommodate these two situs.

ions.

Along these lines, comments were specifically requested in the proposal as to whether the Class II increment should be doubled. Power companies generally supported such a change, while other comments from the industrial sector in dicated that the increments were adquate for well-controlled growth. Power companies indicated that many new plants would be much larger than those which would be allowed in a Class II area (approximately 1000 megawatts) and that the Class II increment ought to accommodate such development. None of the comments presented any reasons for permitting such development in \$ Class II rather than a Class III area, except that the initial designation of all areas will be Class II. The Administrator continues to feel that a Class II increment should be compatible with moderate, well-controlled development in \$ nationwide context, and that large-scale development should be permitted only in conjunction with a conscious decision to redesignate the area as Class III.

Many comments also criticized the emission of carbon monoxide (CO). strogen oxides (NOx), hydrocarbons (EC), and photochemical oxidants (or) from the regulations. As indeated on July 16, 1973, and Augut 27, 1974, and in previous actions prolying indirect source review (38 FR 7033 at 29894, 39 FR 7270 at 7272, and 19 FR 25292 at 25295), existing anahtical procedures are not adequate to determine the impact of individual sources on air quality concentrations of resctive pollutants (NOx and HC/Ox). The only presently available technique for relating emissions to air quality for these pollutants is the areawide proportimal model used for demonstrating the adequacy of control strategies. The proportional model requires that measured air quality data be available: however, as indicated above, such data are very limited in presently clean areas (even more so than for TSP and SO:). In contrast, the air quality concentration of stable pollutants can reasonably be estimated using a diffusion model and therefore measured air quality data are not necessary to determine the incremental air quality impact of an individual source. In addition, since the proportional model assumes that air quality is proportional to emissions, the key to analyzing the impact of an individual source focuses on the definition of baseline emissions. If the source would be located in a very clean area with virtually no baseline emissions, then the predicted air quality increase would be very large (when in fact it probably would not). If the source would be loested in a large metropolitan area and the baseline emissions are those of the entire metropolitan area, then the predicted impact of a single additional source would be very small. Therefore, the proportional model is adequate for control strategy development in urban areas where measured air quality data are available and the aggregate impact of controlling many sources is being analyzed. However, it is inappropriate for analyzing the incremental impact of individual new sources.

At this time, the only practical approach for dealing with these pollutants appears to be to minimize emissions as much as possible. The Federal Motor hicle Control Program accomplishes this for individual motor vehicles. New source performance standards (NSPS) have already been established under Part 60 of this chapter for many of the source categorles subject to the regulation. Where practicable, emission limitations for CO. NOx, and HC have been promulgated for those sources presently subject to Part 60. Although some of the source tategories are not yet included in Part 60, either (1) those that are not covered 60, either (1) those that are not covered to the covered t are not significant emitters of CO, NOx, or HC, or (2) control technology for these pollutants is unavailable or an emission limitation is impractical (e.g. HC emissions from coke ovens).

HC emissions from coke ovens).

One additional step which could be taken to minimize emission of CO, NOx, and HC appears to be in the area of

minimizing vehicle miles of travel (VMT). Plans for reducing VMT and minimizing future VMT growth have been developed as part of the Transportation Control Plans (TCP) promulgated elsewhere in this chapter. Since the TCP's focus on major metropolitan areas, the flexibility available in designing these plans would be more limited when applied to rural and outlying areas. It is clear, however, that comprehensive transportation planning offers an appropirate mechanism for minimizing VMT growth in such areas. It is not clear, however, how EPA might become involved in comprehensive transportation planning throughout the country under these regulations, although States may wish to consider such an approach when developing their own plans to prevent significant deterioration. States of course, are not precluded from including other more comprehensive measures for dealing with HC, CO, and NOx in their own plans.

Some difficult additional questions arise as to how this concept of VMT minimization could be incorporated into these significant deterioration regulations. Would the addition of a increment, similar to the air quality increment approach used in these regulations, be appropriate? Would a new source review of specific indirect sources be practical, or should the review apply to larger scale projects such as a new town or a large new development? The Administrator solicits additional comments on this issue and may modify the regulation at a later date if workable procedures in this area can be developed. The August 27 proposal specified that

all areas of the country, including those areas above the national standards, would be subject to the significant deterioration regulations, even though the District Court order only required the prevention of significant deterioration in areas presently below the national stand-This was done because it was not possible to specify in these regulations all areas of the country which exceed the national ambient air quality standards. In addition, there would be no practical impact of these significant deterioration regulations in areas above the standards, since emissions in such areas are being reduced under the state implementation plans, while these regulations provide for limited allowable increases in emissions.

Nonetheless, there were a number of comments requesting that these regulations specifically exempt all areas presently above the national standards. The regulations promulgated below provide for this exemption only with respect to the area classification requirements. The preconstruction review is still applicable in all areas of the country, in order to ensure that new sources be examined for their impact in presently clean areas which may be adjacent to areas that are above the national standards. In addition, the requirements for applying best available control technology are also applicable to all sources subject to review

in order to minimize the deterioration caused by individual sources. This requirement is particularly important where a source in one State would use up a significant portion of the air quality increment in a neighboring State.

The exemption of areas from the classification requirements will be done on a county basis (or functionally equivalent area) and will be based on a determination by the State that the air quality in the county is pervasively above the national standard. No attempt has been made to define these counties in these regulations. Instead, States must notify the Administrator by June 1, 1975, of those areas which are exempt from the classification requirements.

There were a number of comments requesting clarification of the relationship of these regulations to other portions of the existing implementation plans, particularly the air quality maintenance plans (AQMP's) to be submitted by June, 1975. An air quality maintenance area (AQMA) is an area designated by the Administrator that may have the potential for exceeding any national standard within the next 10-year period as a consequence of current air quality and/or the projected growth rate of the area. The States are required to submit an analysis of the impact on air quality of projected growth in each designated potential problem area. Where maintenance problems are identified by this analysis, the states must also submit plans containing measures to ensure maintenance of national standards during the ensuing 10-year period. AQMA's have been proposed for specific pollutants and final designations will be published shortly. Where an AQMA has been designated because of projected problems in maintaining the NAAQS for either TSP or SO, the significant deterioration increment is applicable only to those portions of the AQMA which are cleaner than either standard. By design AQMA boundaries have been designated to include substantial areas which are relatively clean. This has been done to insure that the planning area corresponds to the entire area where projected new growth in emissions is likely to occur and where regional planning for public services, housing and employment is focused.

Although there seemed to be a general assumption that AQMA's should be designated as Class III, there are several situations where a State may wish to leave the clean air portions of an AQMA as Class II or even to redesignate the area to a Class I. This would limit peripheral growth so as to complement the goals of the AQMP and in this context, the significant deterioration would actually be a mechanism for partially implementing the AQMP. In addition, there are several clean air areas which have been proposed as AQMA's due to anticipated large-scale development of natural resources. A Class I or Class II designation for such areas would probably eliminate the need for an AQMP for TSP or SO, since the air quality constraint would be the Class I or Class II increment. Therefore, a "dedesignation" of the AQMA for TSP or SO, may be appropriate. In any case, the Administrator recommends that any proposed significant deterioration redesignation have boundaries consistent with AQMA boundaries to facilitate the development of the AQMA plan.

A Class III designation does not necessarily mean that an AQMP would be required. For example, a clean air area might be designated Class III on the basis of a marginal anticipated deterioration in air quality which exceeds the Class II increments. However, the anticipated resulting air quality would still be well below the national standards. If little additional development were anticipated over the subsequent 10-year period so as to threaten the national standards, no AQMP would be required.

Furthermore, it is important to recognize that area classifications do not necessarily imply current air quality or current land use patterns. Instead, classifications should reflect the desired degree of change from current levels and

natterns

A number of public comments indi-cated concern that these regulations would create a duplication of new source review procedures, which would require a source owner to apply to several different governmental agencies before he could commence construction.

Where the State assumes responsibility for carrying out the new source review procedure under these regulations, most of the concerns expressed above should be eliminated. Procedurally and administratively, the significant deterioration review is virtually identical to existing new source review procedures included in the implementation plan and, in fact, application could probably be made on the same forms. No additional sources would be covered by the significant deterioration review. The only difference between the two new source reviews is in the tests which must be met before approval will be granted. Instead of meeting only the emission limitations which are part of the applicable plan, sources covered by the significant deterioration review must also meet an emission limitation which is consistent with the application of best available control technology. The most restrictive emission limitation supersedes all others. Inaddition to not causing a violation of any national standard, sources covered by the significant deterioration review must not cause an applicable air quality increment to be exceeded. Technically, the calculations needed to determine if these additional tests will be met are very similar to those already being done. Therefore, where a State administers these regulations, integration with the existing plan should be relatively easy, resulting in only minor additional resource demands. If States do not assume responsibility for implementing these regulations, EPA, through its Regional Offices, will carry out the new source review as required by the Act. Since this may cause duplication of effort on the part of EPA and the States, as well as additional requirements for source

owners, the Administrator strongly urges States to accept delegation of these regulations or to develop their own regulations pursuant to the guidance to be issued shortly pursuant to Part 51 of this chapter.

In response to public comments, the Administrator is considering the addition of other source categories, such as asphalt concrete plants and ferro-alloy plants, to these regulations. One possibility is to add those sources for which new source performance standards for particulate matter and sulfur dioxide have been proposed or promulgated under Part 60 of this chapter. A proposal to add other source categories will be issued shortly.

One comment indicated confusion as to what functions the Administrator intended to delegate to States under these regulations. The confusion apparently related to the definition of "Administrator" under paragraph (b) (3) as including the Administrator's "designated representative." Although the term "Administrator" is used in paragraph (c), relating to the approval of State redesignation, the Administrator does not intend to designate to a representative outside the Agency the review and approval functions under this paragraph. As indicated in paragraph (f), the only functions which will be delegated to States will be the preconstruction review under paragraphs (d) and (e).

A question was raised as to whether an area could have one classification for SO, and another for TSP. Different classifications for SO, and TSP may make sense in certain situations, and the Administrator does not intend to

preclude this option.

Several public comments requested that the technical procedures for determining the air quality impact of a new source be specified by EPA. The techniques the Agency intends to use in most cases are set forth in "Guidelines for Air Quality Maintenance Planning and Analysis," Vols. 10 and 12. Volume 10, "Reviewing New Stationary Sources, pertains to the air quality impact of individual sources, while Vol. 12, "Applying Atmospheric Simulation Models to Air Quality Maintenance Areas," will be used to determine the impact of other growth and development in the area affected by the source. These documents are available for inspection at EPA's Regional Offices and the EPA Freedom of Information Center, 401 M Street, SW., Washington, D.C. 20460, and will be available shortly for general distribution through the National Technical Information Service, 5258 Port Royal Road, Springfield, Virginia 22151. The Administrator, or States which will be implementing the preconstruction review as EPA's agent, is not required to use the techniques in these documents if other techniques are more appropriate in certain circum-

There was considerable divergence of opinion over the initial classification of all areas. Industrial groups generally supported an initial designation of Class

III so as to minimize disruption of prat ects scheduled to commence construction in the near future. Environmental groun supported an initial designation of Case I, fearing that a Class II or III designa tion would permit air quality deteriors tion of some clean areas before State could act to redesignate areas to a mon restrictive classification. The Adminis trator continues to feel that an initial Class II designation represents the most reasonable compromise between the widely differing positions. Also, since the regulations apply only to sources which commence construction after June 1975, the Administrator feels that the deferral should reduce disruption to the industrial sector while permitting State sufficient time to consider reclassifying any area either to Class I or III before requests for approval must be acted upon.

There were several questions raised concerning the appropriate size of a area which should be considered for redesignation. Calculations have shown that because of the small air quality increments specified for Class I area these levels can be violated by a source located many miles inside an adjacent Class II or III area. For example, a power plant which just meets the Class II increment for SO, could under some conditions violate the Class I increment for SO, 60 or more miles away. Under the regulations promulgated below, a source could not be allowed to construct if I would violate an air quality incremen either in the area where the source is to be located or in any neighboring area in the State. Therefore, wherever a Class I area adjoins a Class II or III area, the potential growth restrictions, especially for power plant development, extends well beyond the Class I boundaries ink the adjacent areas. A similar situation exists, to a greater or lesser degree wherever areas of different classification adjoin each other. Therefore, the area with the less restrictive classification should include an additional area at the periphery where it is clearly recognized that development will be somewhat restricted due to the adjacent "cleaner area. As a result, a Class I redesignation could be fairly limited in size, yet the adjoining Class II or Class III areas would need to cover a substantial area in order to fully utilize the Class II or III increment. Again, it should be clear that the Class II or III increment could only be fully utilized toward the center of the area and that at the periphery, allowable deterioration will be dictated by the adjoining Class I area rather than the Class II or III increment.

The distance a large source would need to be located away from a Class I boundary is more dependent on the meteor ological conditions in the area rather than the size of the source. Where very long pollutant travel times from the source to the receptor are involved, the assumptions concerning the persistence of wind direction and atmospheric stability are critical. At some point, it can be assumed that a receptor will be virtually

maffected by a source, regardless of the sure strength, since the critical meteorological conditions would not be expected to persist long enough to move the pollutants from source to receptor for any significant period of time. This distance is, of course, dependent on local netrorological conditions, but for most areas the maximum distance would be 60 to 100 miles.

#### CHANGES TO THE REGULATIONS

1. Definition of Modified Source. The tern "expanded source" was used in the proposal in place of the more commonly used term "modified source" in order to specifically exclude from the preconstruction review sources which increase emissions solely due to switching from a low sulfur to a higher sulfur content fuel. The proposed definition of expanded source was related to whether a source increased emissions through a "major capital expenditure." This phrase was criticized by many as being too vague. Therefore, the general term "modified source" has been reinstated, along with a specific exemption for fuel conversion, which exemption is applicable only to the significant deterioration review procedures. The general definition of modified source in Part 52 is changed slightly to be more specific and to be consistent with the definition used in Part 60. Changes to the definition of modification in Part 60 were proposed on October 15, 1974 (39 FR 36946) and comments on this proposal are presently being analyzed. It is the Administrator's intent to change the definition of modification under Part 52 to be consistent with the final definition of this term under Part 60.

These changes are not intended to modify the applicability of either the proposed significant deterioration regulations or other new source review procedures promulgated elsewhere in Part

2. Definition of best available control technology. Since this term may be used elsewhere in Part 52 in the future, it has been defined in the general definitions section of Part 52. The definition is consistent with the wording used in the August 27 proposal. It should be noted that source performance standards (NSPS) may only apply to certain af-fected facilities within a large source. For example, only basic oxygen process furnaces in a steel mill are presently covered by NSPS, while blast furnaces, scaring operations and other significant sources within the mill are not presently covered. BACT must be determined for these facilities on a case-by-case basis until such time as NSPS are issued for these other facilities.

3. Definition of baseline air quality concentration. The proposal intended to establish the baseline air quality as that air quality existing as of the effective date of regulation, adjusted to include air resource commitments resulting from approval of other air pollution sources pursuant to existing new source review procedures in the plan. The definition of baseline air quality has been clarified to

reflect this intent and the calculation has been simplified by specifying the use of 1974 air quality data rather than 1973 data. No substantive change is intended by this revision.

4. Conditions for applying for redesignation of areas. In order that the Administrator have an adequate basis for determining whether an application to redesignate an area should be approved or disapproved, a provision has been added to paragraph (c) (3) (ii) to require that the necessary information be a part of the hearing record on the proposed designation. Specifically, the hearing record must show that the social, environmental, and economic effects of the proposed redesignation have been evaluated for the area being reclassified as well as for adjacent areas and that regional and national interests have been considered. The Administrator will provide additional guidance to assist States in developing their redesignation proposals and analyzing the impact of such

redesignations.

5. State reclassification of Federal and Indian Lands. Various public comments indicate that Federal lands should be subject to State jurisdiction. EPA did not intend to preclude State redesignations provided that the Federal Land Manager can elect to keep the air quality over Federal lands in a more pristine condition than the State might designate. Therefore, the regulations have been revised to subject Federal lands to State redesignations but reserve to the Federal Land Manager the authority to subject such lands to a more stringent designation. This approach is consistent with section 118 of the Clean Air Act (42 U.S.C. 1857f) which requires that Federal agencies having jurisdiction over any property or facility meet substantive State air pollution control standards and limitations. There is nothing in the Clean Air Act or the legislative history of that Act that indicates the Congress intended to preclude the Federal Government from meeting more restrictive standards than are imposed by the States. This provision also ensures that national forests and parks can be protected by the Federal Government from deterioration of air quality. The different treatment accorded lands of exclusive Federal jurisdiction has been eliminated since the revised regulations make it clear that the Federal Government can protect air quality over all Federal lands. In accordance with Executive Order 11752, these regulations do not require Federal facilities to comply with State or local administrative procedures with respect to pollution abatement and control. Review of new sources on Federal lands is reserved to EPA, except as State review is permitted by a Federal Land Manager with respect to activities conducted under Federal leases.

The State of New Mexico commented that the proposed regulations appeared to take authority away from the States to regulate air pollution over Indian lands. These regulations were not intended to alter the present legal rela-

tionships between the States and Indian Reservations within the States. As these relationships vary from State to State, EPA has not attempted to define such relationships but has modified the proposed regulations to clarify that there is no intent to alter these relationships. Where States have not assumed jurisdiction over Indian lands, the regulations provide that the Indian governing body may propose redesignations to the Administrator, Boundary problems between Indian and State lands are dealt with in the same way that boundary problems between two States are dealt with, as discussed below. This is consistent with the independent status of Indian lands not subject to State

6. Public comment on proposed redesignations. In order to permit the public an opportunity to comment on whether a proposed redesignation should be approved or disapproved, the Administrator will publish all proposed redesignations in the Federal Register as proposed rulemaking and provide a least 30 days for submission of public

comments. 7. Preconstruction review and BACT in Class III areas. Several public comments criticized the proposed regulations for exempting sources in Class III areas from preconstruction review, It was pointed out that there would be no procedure to prevent construction of a source in a Class III area which would violate an increment in an adjacent Class I or II area. Therefore, the regulations promulgated below require that new sources, wherever they are located, must be reviewed to determine the impact on air quality in adjacent regions.

In order to minimize the deterioration caused by individual sources, the proposal has been modified to make the BACT requirements applicable wherever the source is located, not fust in Class I or II areas. Since a source located many miles away from a Class I area could easily use up the entire Class I increment, as discussed below, the necessity to minimize emissions as much as possible in all areas is parti-

cularly important. 8. Determination of allowable air quality increment. The provisions of paragraph (d) (2) (i) have been modified to be more specific and to specify that reduction of emissions from existing sources which contributed to the baseline air quality concentration should be accounted for in determining the unused portion of the allowed air quality increment.

9. EPA review of state redesignations. The proposed regulations did not adequately cover problems created when a State or Indian Governing Body wishes to designate one or more of its areas in such a way that it will have a negative impact on other States or Indian Reservations. These regulations provide that a State or Indian Governing Body must take into account the effect of proposed redesignations on other States, Indian Reservations, and regional and national

interests. Where no State or Indian Governing Body protests the redesignation of another State or Indian Reservation, the Administrator will only review the redesignation to determine whether it is arbitrary and capricious. However, where a State or Indian Governing Body protests a redesignation to the State proposing the redesignation and to the Administrator, the Administrator will take an expanded role of review in which he will balance the competing interests involved.

10. Specification of emission limitation. In order to ensure that the requirement for applying BACT is properly implemented, the provisions of paragraph (d) (2) (ii) have been modified to require that an emission limitation be established as a condition to approval. This places the emphasis on emissions rather than the presence of any particular control equipment. This change also makes the BACT requirement for sources not covered by NSPS more consistent with the NSPS requirements. However, if the Administrator determines that technological or economic limitations on the application of measurement methodology to a paricular class of sources would make the imposition of an emission standard infeasible, he may instead prescribe a design or equipment standard requiring the application of best available control technology. Such standard shall to the degree possible set forth the emission reductions achievable by implementation of such design or equipment, and shall provide for compliance by means which achieve equivalent results.

11 Responsibility for performing air quality impact analysis. A number of public comments suggested that the reviewing agency analyze the air quality impact of additional growth that has occurred in the vicinity of the proposed source since the reviewing agency is more likely to have the necessary data which is needed. The Administrator has concluded that it would be more appropriate for the reviewing agency to perform the air quality impact analysis based on information submitted by the applicant. This change will eliminate the uncertainty which was expressed concerning the requirement that the applicant analyze the air quality impact of general growth and development "in the area affected by the proposed source," since the reviewing agency will define this area and perform the calculations required. Also the provisions of paragraph (d) (3) do not require the applicant to submit growth data with each application. However, the reviewing agency may request such data from the applicant in cases where it does not have the necessary information and will specify the area over which such information is required.

12. Procedures for public participation, The procedures specified in paragraph (e) for public comment on an application to construct have been modified to be consistent with the procedures contained in EPA's regulations for indirect source review (39 FR 25292). The changes allow the reviewing agency to require additional information, where necessary, and permit the applicant to respond to public comments involving his application to construct.

13. Sources subject to review. As proposed on August 27, several of the 19 source categories subject to the preconstruction review appeared to be restricted to an individual process (e.g. Kraft pulp mill recovery furnaces) rather than all emission points on the premises. The wording has been changed to be consistent with the listing of the other source categories and to make clear that all emission points associated with a stationary source must be considered in determining whether the source will violate an applicable air quality increment. This change allows sintering plants to be dropped from the list, since sintering operations will be covered under the primary metals industries which are subject to review under these regula-

A detailed explanation of the technical and policy considerations which form the basis for these regulations is being prepared. Upon completion, the Administrator will publish a notice in the FEDERAL REGISTER announcing the availability of this information for public inspection.

These regulations will be effective January 6, 1975 and will be applicable to sources commencing construction on or after June 1, 1975.

(Secs. 110(c) and 301(a) of the Clean Air Act as amended [42 U.S.C. 1857 c-5(c) and 1857 g(a)])

Dated: November 27, 1974.

RUSSELL E. TRAIN, Administrator.

Subpart A, Part 52, Chapter I, Title 40, Code of Federal Regulations, is amended as follows:

1. In § 52.01, paragraph (d) is revised and paragraph (f) is added. As amended § 52.01 reads as follows:

§ 52.01 Definitions.

(d) The phrases "modification" or "modified source" mean any physical change in, or change in the method of operation of, a stationary source which increases the emission rate of any pollutant for which a national standard has been promulgated under Part 50 of this chapter or which results in the emission of any such pollutant not previously emitted, except that:

(1) Routine maintenance, repair, and replacement shall not be considered a physical change, and

(2) The following shall not be considered a change in the method of operation:

- (i) An increase in the production rate, if such increase does not exceed the operating design capacity of the source:
- (ii) An increase in the hours of operation;
- (iii) Use of an alternative fuel or raw material, if prior to the effective date of a paragraph in this Part which im-

poses conditions on or limits modifica. tions, the source is designed to accommodate such alternative use.

(f) The term "best available control technology," as applied to any affected facility subject to Part 60 of this chapter means any emission control device technique which is capable of limits emissions to the levels proposed or promulgated pursuant to Part 60 of the chapter. Where no standard of perform ance has been proposed or promuleated for a source or portion thereof unite Part 60, best available control technology shall be determined on a case-by-case basis considering the following:

(1) The process, fuels, and raw material available and to be employed in the

facility involved.

tions.

(2) The engineering aspects of the and plication of various types of control tenniques which have been adequately denonstrated. (3) Process and fuel changes.

(4) The respective costs of the applcation of all such control technique process changes, alternative fuels, etc.,

(5) Any applicable State and local emission limitations, and (6) Locational and siting consider-

2. Section 52.21 is revised by designating the first paragraph (a) and adding paragraphs (b), (c), (d), (e), and (f) w read as follows:

§ 52.21 Significant deterioration of it quality.

- (a) Plan disapproval. Subsequent w May 31, 1972, the Administrator reviews State implementation plans to determine whether or not the plans permit or prevent significant deterioration of air quality in any portion of any State where the existing air quality is better than one or more of the secondary standards. The review indicates that State plans generally do not contain regulations or procedures specifically addressed to the problem. Accordingly, all State plans an disapproved to the extent that such plans lack procedures or regulations for preventing significant deterioration d air quality in portions of States when air quality is better than the secondary standards. The disapproval applies to al States listed in Subparts B through DDD of this part. Nothing in this section shall invalidate or otherwise affect the obligations of States, emission sources, or other persons with respect to all portions of plans approved or promulgated unds this part.
- (b) Definitions. For purposes of this section:
- (1) The phrase "baseline air quality concentration" refers to both sulfur di oxide and particulate matter and mean the sum of ambient concentration level existing during 1974 and those additional concentrations estimated to result from sources granted approval (pursuant to approved new source review procedure in the plan) for construction or modification but not yet operating prior W

henry 1, 1975. These concentrations shall be established for all time periods covered by the increments set forth unar paragraph (c) (2) (1) of this section. and may be measured or estimated. In the men of the maximum three-hour and taenty-four-hour concentrations. only the second highest concentrations should be considered.

(2) The phrase "Administrator" means the Administrator of the Environmental Protection Agency or his designated rep-

regulation. (3) The phrase "Federal Land Maname means the head, or his designated representative, of any Department or Agency of the Pederal Government which similaters federally-owred land, induding public domain lands.

(6) The phrase "Indian Reservation" means any federally-recognized reservation established by Treaty, Agreement, Executive Order, or Act of Congress.

(5) The pirace "Indian Cloverning Body" means the governing body of any tribe, band, or group of Indians subject le the jurisdiction of the United States and recognized by the United States as pessessing power of self-government.

(6) "Construction" means fabrication. erection, or installation of an affected facility.

(7) "Commenced" means that an owner or operator has undertaken a continuous program of construction or modification or that an owner or operator has entered into a binding agreement or contrastual obligation to undertake and complete, within a reasonable time, a continuous program of construction or modification.

(c) Area designation and deterioration berement. (1) This paragraph applies to all States listed in Subpart B through DDD of this part, all lands owned by the Pederal Clovernment, and Indian Reservaliens, except those counties or other functionally equivalent areas that per-Pasively exceed any national ambient air quality standards for sulfur oxides or total suspended particulates and then only with respect to such pollutants. States shall notify the Administrator by June 1, 1975, of those areas which are above the national air quality standards and therefore are exempt from the requirements of this paragraph.

(2) (1) For purpose of this paragraph areas designated as Class I or Class II shall be limited to the following increases in pollutant concentrations baseline air quality concentration;

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Altr maximities.
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Balte maximities.
Belte maximities.

(fi) For purposes of this paragraph, areas designated as Class III shall be limited to concentrations of particulate

matter and sulfur dioxide no greater than the national ambient air quality standards.

(3) (i) All areas are designated Class II as of the effective date of this paragraph. Redesignation may be proposed by the respective States, Federal Land Managers, or Indian Coverning Bodies, as provided below, subject to approval by the Administrator.

(ii) The State may submit to the Administrator a proposal to redesignate areas of the State Class I, Class II, or

Class III, provided that:

(a) At least one public hearing is held in or near the area affected and this publie hearing is held in accordance with procedures established in \$ 51.4 of this chapter, and

(b) Other States which may be affected by the proposed redesignation are notified at least 30 days prior to the pub-

He hearing, and (c) A discussion of the reasons for the proposed redesignation is available for public inspection at least 30 days prior to the hearing and the notice armouncing the hearing contains appropriate notification of the availability of such discussion, and

(d) The proposed redesignation is based on the record of the State's hearing, which must reflect the basis for the proposed redesignation, including consideration of (1) growth anticipated in the area, (2) the social, environmental, and economic effects of such redesignation upon the area being proposed for redesignation and upon other areas and States, and (3) any impacts of such proposed redesignation upon regional or national interests

(III) Except as provided in subdivision (iv) of this subparagraph, a State in which lands owned by the Federal Goverument are located may submit to the Administrator a proposal to redesignate such lands Class I, Class II, or Class III in accordance with subdivision (ii) of the subparagraph provided that:

The redesignation is consistent with adjacent State and privately owned

(b) Such redesignation is proposed land, and after consultation with the Federal Land

Manager. (iv) Notwithstanding subdivision (iii) of this subparagraph, the Federal Land Manager may submit to the Administrator a proposal to redesignate any Federal lands to a more restrictive designation than would otherwise be applicable

provided that: (a) The Federal Land Manager follows procedures equivalent to those reguired of States under paragraph (c) (3) (II) and,

(b) Such redesignation is proposed after consultation with the State(s) in which the Federal Land is located or which border the Federal land.

(v) Nothing in this section is intended to convey authority to the States over Indian Reservations where States have not assumed such authority under other laws nor is it intended to deny jurisdiction which States have assumed under

other laws. Where a State has not assumed jurisdiction over an Indian Reservation the appropriate Indian Governing Body may submit to the Administrator a proposal to redesignate areas Class I, Class II, or Class III, provided that:

(a) The Indian Governing Body follows procedures equivalent to those required of States under paragraph (c)

(3) (H) and.

(b) Such redesignation is proposed after consultation with the State(s) in which the Indian Reservation is located or which border the Indian Reservation and, for those lands held in trust, with the approval of the Secretary of the Interior.

(vi) The Administrator shall approve, within 90 days, any redesignation proposed pursuant to this subparagraph as

follows:

(a) Any redesignation proposed pursuant to subdivisions (ii) and (iii) of this subparagraph shall be approved unless the Administrator determines (1) that the requirements of subdivisions (ii) and (iii) of this subparagraph have not been complied with, (2) that the state has arbitrarily and capriciously disregarded relevant considerations set forth in subparagraph (3) (11) (6) of this paragraph. (3) that the State has not requested delegation of responsibility for carrying out the new source review requirements of paragraphs (d) and (e) of this section.

(b) Any redesignation proposed pursuant to subdivision (iv) of this subparagraph shall be approved unless he determines (I) that the requirements of subdivision (ly) of this subparagraph have not been complied with, or (2) that the Federal Land Manager has arbitrarily and capriciously disregarded relevant considerations set forth in subparagraph (3) (H) (d) of this paragraph. (c) Any redesignation submitted pur-

suant to subdivision (v) of this subparagraph shall be approved unless he determines (1) that the requirements of subdivision (v) of this subparagraph have not been complied with, or (2) that the Indian Governing Body has arhitrarily and capriclously disregarded relevant considerations set forth in subparagraph (3) (11) (d) of this paragraph.

(d) Any redesignation proposed pursuant to this paragraph shall be approved only after the Administrator has solicited written comments from affected Federal agencies and Indian Governing Bodies and from the public on the

proposal

(c) Any proposed redesignation protested to the proposing State, Indian Governing Body, or Federal Land Manager and to the Administrator by another State or Indian Governing Body because of the effects upon such protesting State or Indian Reservation shall be approved by the Administrator only if he determines that in his judgment the redesignation appropriately balances considerations of growth anticipated in the area proposed to be redesignated; the social, environmental and economic effects of such redesignation upon the area being redesignated and upon other areas and States; and any impacts upon regional or national interests.

(vii) If the Administrator disapproves any proposed area designation under this subparagraph, the State, Federal Land Manager or Indian Governing Body, as appropriate, may resubmit the proposal after correcting the deficiencies noted by the Administrator or reconsidering any area designation determined by the Administrator to be arbitrary and capricious.

capricious.

(d) Review of new sources. (1) This paragraph applies to any new or modified stationary source of a type identified below which will be located in any State listed in Subpart B through DDD of this part, which source has not commenced construction or expansion prior to June 1, 1975. A source which is modified, but does not increase the amount of a pollutant other than sulfur oxides or particulate matter, or is modified to utilize an alternative fuel, or higher sulfur content fuel shall not be subject to this paragraph.

(i) Fossil-Fuel Steam Electric Plants of more than 1000 million B.T.U. per

hour heat input.

(ii) Coal Cleaning Plants.

(iii) Kraft Pulp Mills.

(iv) Portland Cement Plants.(v) Primary Zinc Smelters.

(vi) Iron and Steel Mills. (vii) Primary Aluminum Ore Reduc-

tion Plants.
(viii) Primary Copper Smelters.

(ix) Municipal Incinerators capable of charging more than 250 tons of refuse per 24 hour day.

(x) Sulfuric Acid Plants.

(xi) Petroleum Refineries.
(xii) Lime Plants.

(xiii) Phosphate Rock Processing Plants.

(xiv) By-Product Coke Oven Batteries.
(xv) Sulfur Recovery Plants.

(xvi) Carbon Black Plants (furnace process).

(xvii) Primary Lead Smelters.

(xviii) Fuel Conversion Plants.
(2) No owner or operator shall com-

mence construction or modification of a source subject to this paragraph unless the Administrator determines that, on the basis of information submitted pursuant to subparagraph (3) of this

paragraph:

(i) The effect on air quality concentration of the source or modified source, in conjunction with the effects of growth and reduction in emissions after January 1, 1975, of other sources in the area affected by the proposed source, will not violate the air quality increments applicable in the area where the source will be located nor the air quality increments applicable in any other areas. The analysis of emissions growth and reduction after January 1, 1975, or other sources in the areas affected by the proposed source shall include all new and modified sources granted approval to construct pursuant to this paragraph; reduction in emissions from existing sources which contributed to the baseline air quality;

and general commercial, residential, industrial, and other sources of emissions growth not included in the definition of baseline air quality which has occurred

since January 1, 1975. (ii) The new or modified source will meet an emission limit, to be specified by the Administrator as a condition to approval, which represents that level of emission reduction which would be achieved by the application of best available control technology, as defined in § 52.01(f), for particulate matter and sulfur dioxide. If the Administrator determines that technological or economic limitations on the application of measurement methodology to a particular class of sources would make the imposition of an emission standard infeasible, he may instead prescribe a design or equipment standard requiring the application of best available control technology. Such standard shall to the degree possible set forth the emission reductions achievable by implementation of such design or equipment, and shall provide for compliance by means which achieve equivalent results.

(iii) With respect to modified sources, the requirements of subparagraph (2) (ii) of this paragraph shall be applicable only to the facility or facilities from which emissions are in-

creased.

(3) In making the determinations required by subparagraph (2) of this paragraph, the Administrator shall, as a minimum, require the owner or operator of the source subject to this paragraph to submit: site information; plans, description, specifications, and drawings showing the design of the source: information necessary to determine the impact that the construction or modification will have on sulfur dioxide and particulate matter air quality levels; and any other information necessary to determine that best available control technology will be applied. Upon request of the Administrator, the owner or operator of the source shall also provide information on the nature and extent of general commercial. residential, industrial, and other growth which has occurred in the area affected by the source's emissions (such area to be specified by the Administrator) since the effective date of this paragraph

(4) (1) Where a new or modified source is located on Federal lands, such source shall be subject to the procedures set forth in paragraphs (d) and (e) of this section. Such procedures shall be in addition to applicable procedures conducted by the Federal Land Manager for administration and protection of the affected Pederal Lands. Where feasible, the Administrator will coordinate his review and hearings with the Federal Land Manager to avoid duplicate administra-

tive procedures.

(ii) New or modified sources which are located on Indian Reservations shall be subject to procedures set forth in paragraphs (d) and (e) of this section. Such procedures shall be administered by the Administrator in cooperation with the Secretary of the Interior war respect to lands over which the State has not assumed jurisdiction under other laws.

(iii) Whenever any new or modifies source is subject to action by a Federa agency which might necessitate prepartion of an environmental impact state ment pursuant to the National Environmental Policy Act 42 U.S.C. 4321, review by the Administrator conducted pursuant to this paragraph shall be coordinated with the broad environmental reviews under that Act, to the maximum feasible and reasonable.

(5) Where an owner or operator has applied for permission to construct or modify pursuant to this paragraph as the proposed source would be located in an area which has been proposed for redesignation to a more stringent clar (or the State, Indian Governing Body or Federal Land Manager has announce such consideration), approval shall not be granted until the Administrator has acted on the proposed redesignation.

(e) Procedures for public participation. (1) (I) Within 20 days after receip of an application to construct, or an addition to such application, the Administrator shall advise the owner or open-tor of any deficiency in the informatic submitted in support of the application for the application for the application for the purpose of paragraph (c) (1) (ii) of this section shall be the date on which a required information is received by the Administrator.

(ii) Within 30 days after receipt d

a complete application, the Administrator shall;

(a) Make a preliminary determination whether the source should be approved approved with conditions, or disapproved

(b) Make available in at least one location in each region in which the proposed source would be constructed, a confort all materials submitted by the owner operator, a copy of the Administrator preliminary determination and a conformation and a conformation of the materials, if any considered by the Administrator in making his preliminary determination; and

(c) Notify the public, by prominent advertisement in newspaper of general circulation in each region in which the proposed source would be constructed of the opportunity for written public comment on the information submitted by the owner or operator and the Administrator's preliminary determination.

on the approvability of the source.

(iii) A copy of the notice required pursuant to this subparagraph shall be sentete having cognizance over the location where the source will be situated as follows: State and local air pollution control agencies, the chief executive of the city and county; any comprehensive regional land use planning agency; and and State, Federal Land Manager or India Governing Body whose lands will be significantly affected by the source.

(iv) Public comments submitted in writing within 30 days after the date

such information is made available shall to considered by the Administrator in making his final decision on the applioston No later than 10 days after the gloss of the public comment period, the applicant may submit a written response to any comments submitted by the public. The Administrator shall consider the apolicant's response in making his final decision. All comments shall be made available for public inspection in at least one location in the region in which the source would be located.

(v) The Administrator shall take final action on an application within 30 days after the close of the public comment period. The Administrator shall notify the applicant in writing of his approval, conditional approval, or denial of the application, and shall set forth his reasons for conditional approval or denial. Such notification shall be made available for public inspection in at least one location in the region in which the source

would be located.

(vi) The Administrator may extend each of the time periods specified in paragraph (e) (1) (ii), (iv), or (v) of this section or such other period as agreed to by the applicant and the Administrator.

(2) Any owner or operator who constructs, modifies, or operates a stationary source not in accordance with the application, as approved and conditioned by the Administrator, or any owner or operator of a stationary source subject to this paragraph who commences construction or modification after June 1, 1975, without applying for and receiving approval hereunder, shall be subject to enforcement action under section 113 of the Act.

(3) Approval to construct or modify shall become invalid if construction or expansion is not commenced within 18 months after receipt of such approval or if construction is discontinued for a period of 18 months or more. The Administrator may extend such time period upon a satisfactory showing that an extension is justified.

(4) Approval to construct or modify shall not relieve any owner or operator of the responsibility to comply with the control strategy and all local, State, and Federal regulations which are part of the applicable State Implementation

(f) Delegation of authority. (1) The Administrator shall have the authority to delegate responsibility for implementing the procedures for conducting source review pursuant to paragraphs (d) and (e), in accordance with subparagraphs (2), (3), and (4) of this paragraph.

(2) Where the Administrator delegates the responsibility for implementing the procedures for conducting source review pursuant to this section to any Agency, other than a regional office of the Environmental Protection Agency, the following provisions shall apply:

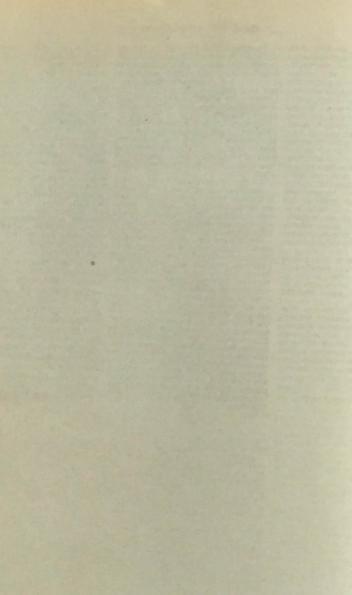
(i) Where the agency designated is not an air pollution control agency, such agency shall consult with the appropriate State or local air pollution control agency prior to making any determination required by paragraph (d) of this section. Similarly, where the agency designated does not have continuing responsibilities for land use planning, such Agency shall consult with the appropri-ate State and local land use planning agency prior to making any determination required by paragraph (d) of this section.

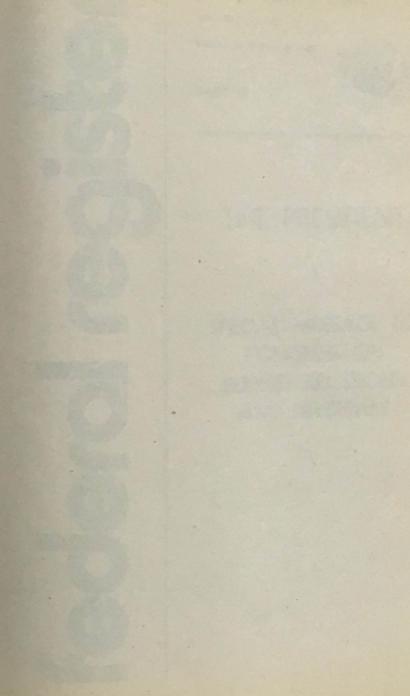
(ii) A copy of the notice pursuant to paragraph (e)(1)(ii)(c) of this section shall be sent to the Administrator through the appropriate regional office.

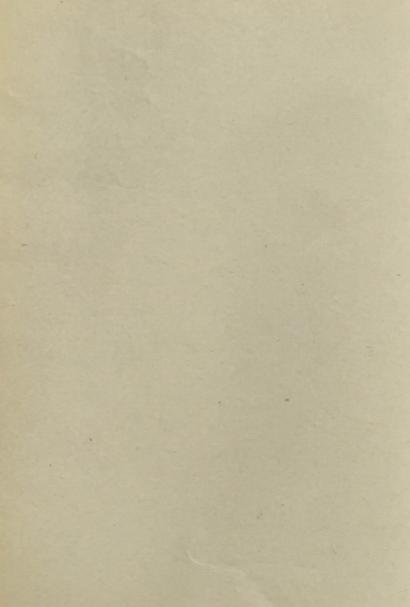
(3) In accordance with Executive Order 11752, the Administrator's authority for implementing the procedures for conducting source review pursuant to this section shall not be delegated, other than to a regional office of the Environmental Protection Agency, for new or modified sources which are owned or operated by the Federal government or for new or modified sources located on Federal lands; except that, with respect to the latter category, where new or modified sources are constructed or operated on Federal lands pursuant to leasing or other Federal agreements, the Federal land Manager may at his discretion, to the extent permissible under applicable statutes and regulations, require the lessee or permittee to be subject to a designated State or local agency's procedures developed pursuant to paragraphs (d) and (e) of this section.

(4) The Administrator's authority for implementing the procedures for conducting source review pursuant to this section shall not be redelegated, other than to a regional office of the Environmental Protection Agency, for new or modified sources which are located on Indian reservations except where the State has assumed jurisdiction over such land under other laws, in which case the Administrator may delegate his authority to the States in accordance with subparagraphs (2), (3), and (4) of this paragraph.

[FR Doc.74-28353 Filed 12-4-74;8:45 am]







THURSDAY, DECEMBER 5, 1974

WASHINGTON, D.C.

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PART IV



# THE PRESIDENT

SPECIAL MESSAGE TO CONGRESS ON BUDGET RECISSIONS AND DEFERRALS THE PRESIDENT

SPECIAL MESSAGE TO CONGRESS, ON EUDOET RECOSSIONS AND DETERRIALS



# Special Message on Budget Rescissions and Deferrals

To the Congress of the United States

Last month I sent a 31-point economic program to the Congress. That program was a balanced one, both dealing with the forces of inflation and anticipating the possibility of rescissionary pressures. It was, and remains, my particular concern to help those hardest hit by inflation and by the slack that has developed in some sectors of the economy.

Responsible restraint of government spending is an integral part of my economic program. The Congress has publicly proclaimed its support of restraint. In June the Senate voted 74–12 in favor of legislation to hold Federal spending to \$295 billion. In September the Joint Economic Committee unanimously recommended holding spending to \$300 billion. Last month the House voted 329–20 for a budget target of the same level.

Soon after I took office I asked the heads of Federal agencies to undertake a thorough review of 1975 expenditures. In my October 8 Message to the Congress, I pledged to forward a package of proposed actions to reduce the 1975 budget. Today I am reporting on the results of this review and presenting my specific recommendations for reducing Federal outlays.

First, it is important to understand what has been happening to the budget. When the current fiscal year began last July 1, budget outlays for the year were estimated at \$305.4 billion.

Interest costs for Federal borrowing are now expected to be \$1.5 billion more than the estimate last June.

The Congress has also added to 1975 budget pressures. Congressional reductions in some programs have been more than offset by actions it has taken to increase spending in others. Particularly disappointing was the Congressional unwillingness to join with me in deferring for three months a Federal pay raise. This cost the taxpayers \$700 million. Equally discouraging was the passage by Congress over my veto of the Railroad Retirement bill costing \$285 million this year and \$7 billion over the next 25 years.

There have been some reductions in expected spending levels. The Environmental Protection Agency will spend less than planned because anticipated schedules for sewage treatment construction have not been met.

However, the most significant change is the increased aid to the jobless—including the National Employment Assistance Act I proposed last month—that added \$2.7 billion to the budget. This increase is necessary to ease the burden on those who are most affected by current economic stress.

Taking these developments into account, my present recommendations for \$4.6 billion of budget reductions will result in a budget total of \$299.5 billion before considering \$2.7 billion increased spending for aid to the unemployed. These recommendations represent a major effort at budgetary restraint. It would be unwise, in my view, to add additional dollar reductions for each dollar of increased aid to the unemployed.

The fiscal year 1975 budget actions by the Executive and the Congress since July 1, including those I now propose, are summarized and compared to last year's actual expenditures as follows:

CHANGES IN BUDGET SPENDING (Fiscal years; dollar amounts in billions)

Actual 1974	Defense 1	Interest on the Public Debt	Payments for Indi- viduals *	Other	Total
expenditures	\$79.4	\$29.3	\$110.1	050 F	*****
1975 Budget	410. T	923.3	\$110.1	\$50.5	\$268.4
(July 1 estimates)	85. 8	31.5	130. 5	57.6	305. 4
Changes (including					
those proposed)	-2.6	+1.5	+1.0	-3.2	-3.3
Presently proposed levels for 1975	83. 2	33.0	131.5	54. 4	302. 2
1975: Percent change since July 1		+4.8%	+.7%	-5.5%	-1.1%
over 1974	+6.1%	+12.6%	+19.4%	+7.8%	+12.6%
Department of Defer	ase, Militar	y and Militar	ry Assistance		1 -2.070

The 1975 outlay estimates can be affected significantly by variations in income from oil lease sales on the Outer Continental Shelf. This income is treated in the budget as an offset to spending. If the current schedule of lease sales is not met, for environmental or other reasons, or if the bids are significantly less than anticipated, outlays could further increase-possibly by \$3 billion or more.

The reductions I propose to the Congress will require a number of changes in basic legislation and in pending appropriations. I am also transmitting proposed rescissions and deferrals, as required by the Congressional Budget and Impoundment Control Act, to reduce programs for which funds have already been appropriated. The rescissions would result in decreased outlays of over \$200 million in 1975. Deferrals would reduce 1975 outlays by over \$300 million.

Normally, funds are already being withheld when reports on rescissions and deferrals are transmitted to the Congress. Recognizing that these rescissions and deferrals are an integral part of a more far reaching and comprehensive proposal, I will not begin to withhold funds for the affected programs until December 16 although the law permits me to

The reductions I propose focus on programs that have grown rapidly in recent years or that have been increased substantially over budget proposals. In most cases, the level of 1975 outlays will be materially above actual spending last year. Even after the proposed cut-backs,

<sup>&</sup>lt;sup>2</sup> Nondefense.

Federal benefit payments to individuals are estimated to be \$131.5 billion. This is \$1.0 billion above the July estimate, and \$21.4 billion, or 19%, above actual spending last year.

While I am recommending further cuts in defense spending, I have taken into account the substantial reductions already made by the Congress. My current expectation for defense spending is \$83.2 billion, \$2.6 billion below the June estimate. I believe that further cuts in defense spending would be exceedingly unwise, particularly at this time.

In determining which budget programs should be reduced, I have tried to eliminate the less essential and to overcome inequities. I have tried to avoid actions that would unduly add to unemployment or adversely affect those hurt most by inflation.

The \$4.6 billion budget outlay reduction I now propose is not large when compared with total Federal spending. Nevertheless, the Congress may find it difficult to agree with all my proposals. I strongly urge the Congress to accept them and join with me in this belt tightening. The reductions are essential to demonstrate to the American people that the Federal Government is working seriously to restrain its spending. They are also a start toward the imperative of gaining control over budgets in the future.

Gerall R. Ford

THE WHITE House, November 26, 1974.

# 6. Proposed Rescissions

A total of 39 new rescissions are proposed: 37 totalling nearly \$862 million in budget authority are transmitted under the provisions of Title X of the Impoundment Control Act of 1974, (P.L. 93-344). Two rescissions totalling \$2.1 million in budget authority are proposed under provisions of the Antideficiency Act (31 U.S.C. 3679) and reported to the Congress under the provisions of Title X.

An agency summary of the outlay reductions that would result from Congressional approval of the proposed rescissions follows:

EFFECT OF RESCISSION ACTIONS ON OUTLAYS (outlay reductions in millions of dollars)

	1975	1976
Agriculture Commerce Defense Health, Education, and Welfare Justice State Treasury General Services Administration	-13 -6 -136 -15 -16 -2 -24 -10	- 6 - 4 - 169 - 35   - 10
Special Action Office for Drug Abuse Programs	- 2	- 3
Total	- 224	- 227

The outlay reductions for each item are identified in the reports in this part.

As noted in the individual reports, the withholdings associated with new rescissions proposed will generally be delayed until December 16, 1974.

The reports transmitted herein are not the only rescissions proposed to the Congress in this fiscal year that are needed to restrain the 1975 budget. Special messages of the President of September 20 and October 4, as amended by the supplementary reports of November 13, proposed seven rescissions totalling \$672 million in budget authority. Prompt approval of these rescissions is also requested to reduce Federal spending by nearly \$160 M in 1975 and \$250 M in 1976.

# SUMMARY OF PROPOSED RESCISSIONS

(dollars in thousands)

Resci- sion #	Item	Budget Authority
	Rescissions:	
	>	
	Agriculture: Agricultural Stabilization and	
	Conservation Service:	
	Water Bank Act Program-1974	11,213
R75-8	Forest Service:	,
	Forest Protection and Utilization:	
225 0	Cooperation in Forest Fire Control	4,921
R75-9	Reforestation and Stand	
D75 10	Improvement	10,000
R75-10	Commerce:	
	Social and Economic Statistics	
	Administration:	
R75-11	Salaries and Expenses	373
K/3-II	Economic Development Administration:	
	Economic Development Assistance	2 000
R75-12	· Programs	2,000
	Domestic and International Business	
	Administration:	
	Financial and Technical Assistance	12,000
R75-13	United States Travel Service:	22,000
	Salaries and Expenses	250
n75-14	National Oceanic and Atmospheric	
	Administration:	
	Operations, Research and	500
375-15	Facilities	500
	Patent Office:	700
275-16	Salaries and Expenses	700
	Defense, Military: Operation and Maintenance	
	Army	41,000
R75-17	Navy	27,500
R75-18	Marine Corps	5,000
R75-19	Air Force	40,000
R75-20	Defense Agencies	1,900
R75-21	Army Reserve	1,800
R75-23	Navy Reserve	1,100
R75-24	Air Force Reserve	400
R75-25	Army National Guard	1,400
R75-26	Air National Guard	500
1000	Aircraft Procurement:	12 500
R75-27	Army	13,500
R75-28	Air Force	248,000

Resci-		Budget
sion #	Item	Authority
	Rescissions: (continued)	
	Health, Education, and Welfare:	
	Health Resources Administra-	
	tion; Health Services	
R75-29	Planning and Development	372,466
	Justice:	
	Federal Bureau of Investigation:	
R75-30	Salaries and Expenses	5,300
	Immigration and Naturalization	
	Service:	
R75-31	Salaries and Expenses	1,300
	Bureau of Prisons:	
R75-32	Salaries and Expenses	5,250
R75-33	Buildings and Facilities	1.750
275 24	Drug Enforcement Administration:	
R75-34	Salaries and Expenses	2,400
	International Organizations and Conferences:	
	Contributions to International	
R75-35	Organizations	2 222
R75-36	International Trade Negotiations	2,000
	Treasury:	100
	Office of the Secretary.	
R75-27	Salaries and Expenses	310
	Touchar Daw Enforcement Training	310
	centers:	
R75-38	Salaries and Expenses	60
R75-39	Salaries and Expenses	630
R75-40		3,000
D7F 43		
R75-41		530
R75-42	Accounts, Collection and	
R75-43	Compliance	9,230
	General Services Administration	10,240
	Public Buildings Commission	
R75-44	Federal Buildings Pura	
	Special Action Office for Drug Abuse Programs	20,023
D75	Abuse Programs:	
R75-45 R75-6	Pharmacologies	
K13- P	Special fund for drug abuse	2,760
	arug abuse	2,240
	Total rescissions	
		863,646

Reccission Proposal No.: R75-8

Dollers in Millions

PROPOSED PESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of F.L. 93-344

Agency Department of Agriculture	New budget authority	\$
and Conservation Service	Other budgetary resources	17,543,635
oppopriector Title & Symbol	Total Budgetary Resources	17,543,635
Water Bank Act Program - 1974 12X3320	Amount proposed for rescission	11,212,940

#### Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Under the Water Bank Program, suthorized by the Water Bank Act (P.L. 91-559), the Rederal Government shares with farmers and landowners the cost of keeping certain wetlands out of production for the purpose of improving habitats (nesting and feeding areas) for migratory waterfowl and other wildlife. The Act provides that participants in the program enter into its long-term (10 year) agreements with the Secretary of agriculture not to drain or otherwise alter the condition of these wetlands which have been designated as wildlife nesting and feeding areas. Under the Act, funds appropriated remain available until expended.

This program duplicates to a large degree an Interior Department program (Migratory Bird Conservation Fund).

#### Estimated Effect

This program provides little conservation benefits to the Nation and can therefore be eliminated with little consequence. Outlay reductions would be \$1M in FY 1975 and \$4M in FY 1976.

The funds remaining are needed to fund commitments under the 1974 program.

Total 1975 Outlays	DOTIETS IN HITTITORS
Total 1975 GGC222	
( transmittal)	3,8
1975 Budget (February transmittal)	2.8
1975 Budget (restission (current estimate) Without rescission (revised estimate) With rescission (revised estimate)	1.8
With rescission (levaled outlays (Effect of action on 1976 outlays	-4.0)

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service

Water Bank Program

Appropriations provided in the Agriculture-Environmental and Consumer Protection Act of 1974 to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), are rescinded in the amount of \$11,212,940.

R75-9

Rescission Proposal No.

PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Agriculture	New budget authority (P.L. 93-404)	\$ 25,088,000
Forest Service	Other budgetary resources	-
Appropriation Title & Symbol Forest Protection and Utilization: 1251100 (State and Private Forestry Cooperation: Cooperation in Forest Fire	Total Budgetary Resources	25,088,000
	Amount proposed for rescission	4,921,000
Control)		

#### Justification

Rescission of \$4,921,000 of the annual appropriation for cooperation in forest fire control is one of the special actions proposed by the President to restrain 1975 budget outlays. This program provides technical support and financial assistance to the States as an incentive to the States in their efforts to protect non-Federal lami from fire. \$20,167,000 has been made available for assistance to States for FY 1975. Protection of these lands is primarily a State and local responsibility. In FY 1973, the latest year for which complete data is available, \$20 million of Federal funds was made available to the States. State and local governments provided more than \$116 million. In addition, although no precise statistics exist, it is believed that private landowners expend annually amounts considerably in excess of all governmental expenditures for these purposes.

#### Estimated Effects

The estimated effect of the proposed rescission on forest fire control on State and private lands is negligible for two reasons. First, the amount of the rescission is estimated to be only about 1 to 2 percent of the total expenditures for this purpose. Secondly, it is reasonable to expect that highest priority activities will be accomplished within the funds available. Therefore, the funds proposed for rescission would affect the lowest priority activities.

The proposed rescission will bring the cooperative Forest Fire Control Program to the same level as FY 1974 and will result in outlay savings of \$3.5 million in FY 1975 and \$1.4 million in FY 1976. Direct Federal employment would be reduced by an estimated 5 man-years. Other employment would also be expected to be less than if the \$4,921,000 were allocated to the States.

Total	1975	Outlays
-------	------	---------

1975 Budget (February transmittal) Without rescission (current estimate) With rescission (revised estimate) (Effect of action on 1976 outlays

Dollars	in	Millions
-		

20.3 23.8 20.3

# DEPARTMENT OF AGRICULTURE Forest Service Forest Protection and Utilization

Appropriations for the fiscal year 1975 for "Forest Protection and Utilization" for "State and Private Porestry Cooperation" are rescinded in the amount of \$4,921,000.

#### THE PRESIDENT

PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

R75-10

Agency Department of Agriculture Bureau Forest Service	New budget authority (P.L. 93-404) Other budgetary resources	\$ 50,079,000
Appropriation Title & Symbol Forest Protection and Utilization: 1251100 (Forest Land Management:		50,079,000
Reforestation and Stand Improvement)	Amount proposed for rescission	10,000,000

## Justification

This withholding of funds is one of several special actions preposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Rescission of \$10,000,000 of the annual appropriation for reforestation and stand improvement is proposed as part of the overall program of budgetary restraint. The program would then be \$40,079,000, which is \$6,748,000 more than the FY 1974 program. In addition, trust funds totaling \$44,440,000 will be used for similar purposes on areas affected by timber sales. Reduction in the level of investments is possible without severe impacts on the on-going program.

## Estimated Effects

It is estimated that the funds proposed for rescission would be sufficient to reforest about 22,000 acres and to accomplish stand improvement on about 108,000 acres. Annual growth would be reduced by about 40 million board feet. Direct Federal employment would be reduced by about 200 man-years. Non-Federal employment would also be reduced by about 200 man-years. Outlays would be reduced by \$9M in FY 1975 and \$1M in FY 1976.

## Total 1975 Outlays

1975 Budget (February transmittal Without rescission (current estimate) With rescission (revised estimate) (Effect of action on 1976 outlays

## Dollars in Millions

35.3 49.3

40.3

# DEPARTMENT OF AGRICULTURE Forest Service Forest Protection and Utilization

Appropriations for the fiscal year 1975 for "Forest Protection and Utilization" for "Forest Land Management" are rescinded in the amount of \$10,000,000.

Rescission Proposal No.: R75-11

## PROPOSED RECISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.L. 93-433)	\$ 47,977,000
Rureau Social and Economic Statistics Administration	Other budgetary resources	\$
Appropriation Title & Symbol	Total budgetary resources	\$ 47,977,000
Salaries and Expenses		1
1350401	Amount proposed for rescission	\$ 373,000

## JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The programs of the Social and Economic Statistics Administration (SESA) provide for the collection, compiling, and publishing of a broad range of demographic, economic, and social statistics. In the current economic analysis programs, data is prepared and analyzed on the import and export of all types of merchandise and their method of transportation.

It is proposed to defer \$373,000 for the reconciliation of discrepancies in bilaterial merchandise trade balance figures as reported by the U.S. and Japan. Initial exploratory discussions were to be held with both Japan and West Germany in FY 1975 to develop implementation plans. An agreement to proceed with a joint undertaking has been reached with West Germany. The efforts with Japan will be deferred until FY 1976.

The funds proposed for rescission are available only in fiscal year 1975.

# ESTIMATED EFFECTS:

The remaining funds will still permit the completion of the U.S.-Canada reconciliation now underway.

TOTAL 1975 OUTLAYS:								DOLLARS IN MILLIONS	
transmittal)								49.5	
								47.7	
With rescission (revised estimate) With rescission on 1976 outlays	-		-		-			0)	

# DEPARTMENT OF COMMERCE

Social and Economic Statistics Administration

Salaries and Expenses

Appropriations provided under this head in the Department of Commerce
Appropriation Act, 1975 are rescinded in the amount of \$373,000.

Rescission Proposal No.: R75-12

PROPOSED RESCISSION OF MUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Commerce Rureau	New budget authority (P.L. 93-433	\$ 184,200,000
Economic Development Administration Appropriation Title & Symbol	Other budgetary resources	\$
Economic Development Assistance Programs	Total budgetary resources	\$ 184,200,000
1352050		
	Amount proposed for rescission	\$ 2,000,000

#### JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The EDA appropriation provides funds for the full range of programs including public works, business development, planning, technical assistance and research. The total amount currently appropriated for all EDA programs in fiscal 1975 is \$194.200.000.

It is proposed to rescind \$2,000,000 of the \$9,281,000 allocated to technical assistance. EDA's technical assistance program finances projects related to particular economic adjustment problems of distressed areas. The funds proposed for rescission are available only in fiscal year 1975.

#### ESTIMATED EFFECTS:

The rescission will reduce the amount of funding available for new technical assistance efforts in 1975, but it is not expected to seriously delay economic adjustment activities being funded by the EDA.

TOTAL 1975 OUTLAYS:						DOLLARS IN MILLIONS
1975 Budget (February transmittal)				-		268
Without rescission (current estimate)						2/5
With resideston (revised estimate)						2/4
(Effect of action on 1976 outlays	*				*	-1)

# DEPARTMENT OF COMMERCE

Economic Development Administration

Economic Development Assistance Programs

Appropriations provided under this head in the Department of Commerce Appropriation Act, 1975 are rescinded in the amount of \$2,000,000.

Rescission Proposal No: R75-13

## PROPOSED RESCISSION OF BUDGET AUTHORITY

## Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Commerce	New budget authority \$ (P.L) Other budgetary resources	19,821,000
Bureau  Domestic and International  Business Administration	Total Budgetary Resource	s 19,821,000
Appropriation Title & Symbol Financial and Technical Assistance 13x1210	Amount proposed for rescission	12,000,000

## Justification:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The Financial and Technical Assistance program was authorized by the Trade Expansion Act of 1962. The program provides financial and/or technical assistance to firms who are injured or threatened by increased imports, when the increase is due to a trade agreement entered into by the United States. Firms, which have been certified eligible by the Tariff Commission and the Department, may receive this financial assistance in the form of a direct loan, a loan guarantee and/or technical assistance. These funds are available without regard to fiscal year limitation.

To date, 34 firms have received approval of eligibility to apply for assistance. Of the 34 firms, 18 adjustment proposals have been approved, 1 is pending, and 15 have not yet been received. The proposed Trade Reform Act of 1974 establishes new criteria for financial and technical assistance. When the Act is passed, significant changes to the present program are anticipated. This proposed rescission will terminate funding for the existing program, when the remaining funds are used.

# Estimated Effects:

Rescission of the \$12,000,000 will leave an available balance of approximately \$7,821,000. This balance will be sufficient to honor pending proposals from firms which have received approval of eligibility where preproposal technical assistance has been committed, or where a firm is well along in its proposal development. It is expected that the Trade Reform bill will be enacted, and that the new adjustment assistance program under that Act will assist firms in adjusting to imports in the future.

Total 1975 Outlays	Dollars in Million
1975 Budget (February transmittal) Without rescission (current estimate) With rescission (revised estimate) (Effect of action on 1976 outlays	9.3 9.2 6.0 -3.0)

DEPARTMENT OF COMMERCE
United States Travel Service
Salaries and Expenses

Appropriations provided under this head in the Department of Commerce
Appropriation Act, 1975 are rescinded in the amount of \$250,000.

# PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Commerce Pureau	New budgetary authority (P.L. 93-433	\$_11,250,000
United States Travel Service		
Appropriate Title & Symbol	Other budgetary resources	\$
Salaries and Expenses	Total budgetary resources	\$ 11,250,000
1350700	-	
	Amount proposed for rescission	\$ 250,000

## JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Funds have been appropriated for the 1975 programs to encourage foreign travel to the U.S. with emphasis concentrated on travel from 6 major tourism markets. It is proposed that USTS will reduce its consumer advertising, brochures and display programs, and research programs by \$250,000 in FY 1975. The funds proposed for rescission are available only in fiscal year 1975.

#### ESTIMATED EFFECTS:

Consumer Advertising: The \$100,000 reduction will decrease the frequency of print inserts in advertising campaigns by approximately 20% in U.K. and 7% in Germany.

Brochures and Displays: \$80,000 proposed reduction will cause a deferral in the production of 4,700 cube displays and 450,000 VISIT USA maps.

Research and Analysis: \$70,000 proposed reduction in Research and Analysis will defer the following projects for FY 1975: Canadian/Mexican Exits Survey; follow up to 1974 German Market Study; evaluation of Public Information activities.

# DEPARTMENT OF COMMERCE Trade Adjustment Assistance Financial and Technical Assistance

Appropriations provided under this head in the Department of Commerce
Appropriation Act, 1972 are rescinded in the amount of \$12,000,000.

	Dollars in Millions
Total 1975 Outlays	10.8
1975 Budget (February transmittal)	10.7
	10.4
Without rescission (revised estimate)	0)

#### THE PRESIDENT

PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

R75-16

Agency Department of Commerce Bureau Patent Office Appropriation Title & Symbol	New budget authority (P.L. 93-433) Other budgetary resources Total Budgetary Resources	\$	76,300,000
Salaries and Expenses	Amount proposed for rescission	*	700,000

# JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action con-templated. Funds are appropriated to the Patent Office in FY 1975 in order to examine patent and trademark applications, print patents and trademarks, and for related activities. It is proposed to defer the examination of 2,160 patents in 1975 at a savings of \$625,000. Additional miscellaneous economies in patent classification, trademark examination, and customer services will allow the savings of an additional \$75,000. The total amount of \$700,000 is proposed for rescission in 1975. The funds proposed for rescission are available only in fiscal year 1975.

At the current patent examiner productivity and the current rate of receipt of applications, rescission of funding for patent examination will have no impact on the achievement of the Patent Office's longstanding goal of reducing processing time of a patent application to 18 months by 1977. Disposal of patent applications has exceeded receipt of new applications by over 10,000 cases annually in 1973 and 1974. Productivity of the patent examining corps increased to an all time high in 1974, 116,003 application disposals. If apportioned, these funds would of necessity be used for additional examiner overtime. Miscellaneous economies. funds would of necessity be used for additional examines overtime. Miscellaneous economic in patent classification, trademark examination and customer services will result in a savings of \$75,000. Rescinding this amount will have no serious impact on these programs DOLLARS TH WITT TOWN in 1975.

in 1973.	DOLLARD IN MILLIONS
TOTAL 1975 OUTLAYS:	76.1
transmittal)	75.4
1975 Budget (February transmittal)	74.7
1975 Budget (Pebruary transmittal). Without rescission (current estimate). With rescission (revised estimate).	-0)
Without rescission (revised estimate)	
(Riffect of action	

DEPARTMENT OF COMMERCE

Patent Office

Salaries and Expenses

Appropriations provided under this head in the Department of Commerce
Appropriation Act, 1975 are rescinded in the amount of \$700,000.

Rescission Proposal No.: R75-17

# PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency	New budget authority	\$ 6,137,532,000
Department of Defense Bureau	(P.L. 93-437 ) Other budgetary resources	922,997,294
Army 2152020 Amount proposed for	Total Budgetary Resources	7,060,529,294
	Amount proposed for rescission	41,000,000

# Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of about ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be reprogrammed for increased pay costs, and a rescission is necessary to achieve this savings.

This rescission will reduce 1975 budget authority by \$41 million and result in outlay reductions of \$34.6 million in 1975 and \$5.5 million in 1976.

	Dollars in millions
Total 1975 Outlays  1975 Budget (February transmittal)	\$6,701.0
1975 Budget (replace) Without rescission (current estimate)	6,395.4
With rescission (revised estimate)	6,360.8
(Effect of action on 1976 outlays	-5.5)

Operation and Maintenance
Operation and Maintenance, Army

Appropriations provided under this head in the Department of Defense Appropriation Act. 1975, are rescinded in the amount of \$41,000,000, to be derived from the sum provided for the maintenance of real property facilities.

### THE PRESIDENT

R75-18 Rescission Proposal No.:

# PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Defense Bureau	New budget authority (P.L. 93-437 ) Other budgetary resources	\$ 7,151,175,000 190,000,000
Appropriation Title & Symbol Operation and Maintenance, Navy 1751804	Total Budgetary Resources	7,341,175,000
	Amount proposed for rescission	27,500,000

# Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of about ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced in a twenty percent reduction over the last half of fiscal 1975. level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be reprogrammed for increased pay costs, and a rescission is necessary to achieve this savings.

This rescission will reduce 1975 budget authority by \$27.5 million and result in outlay reductions of \$20.6 million in 1975 and \$6.1 million in 1976.

	Dollars in millions
Total 1975 Outlays 1975 Budget (February transmittal)	\$6,763.0
1975 Budget (resistance) Without rescission (current estimate)	6,876.0
With rescission (revised estimate)	6,855.4
With rescission on 1976 outlays (Effect of action on 1976 outlays	-6.1)

Operation and Maintenance
Operation and Maintenance, Navy

Appropriations provided under this head in the Department of Defense
Appropriation Act, 1975, are rescinded in the amount of \$27,500,000,
to be derived from the sum provided for the maintenance of real
property facilities.

R75-19 Rescission Proposal No.:

# PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

gency  Department of Defense  Sureau	New budget authority (P.L. 93-437 ) Other budgetary resources	\$ 449,284,000
ppropriation Title & Symbol	Total Budgetary Resources	453,112,000
Operation and Maintenance, Marine Corps 1751106	Amount proposed for rescission	5,000,000

# Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be reprogrammed for increased pay costs, and a rescission is necessary to achieve this savings.

# Estimated Effects

This rescission will reduce 1975 budget authority by \$5 million and result in outlay reductions of \$4 million in 1975 and \$.9 million in 1976.

	Dollars in millions
Total 1975 Outlays	\$437.0
1975 Budget (February transmittal) Without rescission (current estimate)	462.1
With rescission (revised estimate)	458.1
With rescission on 1976 outlays (Effect of action on 1976 outlays	9)

Operation and Maintenance
Operation and Maintenance, Marine Corps

Appropriations provided under this head in the Department of Defense Appropriation Act. 1975, are rescinded in the amount of \$5,000,000, to be derived from the sum provided for the maintenance of real property facilities.

Rescission Proposal No.: R75-20

PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Defense	New budget authority	\$ 7,062,030,000
Bureau	(P.L. 93-437 ) Other budgetary resources	987,147,974
Appropriation Title & Symbol Operation and Maintenance,	Total Budgetary Resources	8,049,177,974
Air Force 5753400	Amount proposed for rescission	40,000,000

## Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of about ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be reprogrammed for increased pay costs, and a rescission is necessary to achieve this savings.

# Estimated Effects

This rescission will reduce 1975 budget authority by \$40 million and result in outlay reductions of \$34.8 million in 1975 and \$4.9 million in 1976.

e aloue	Dollars in millions
Total 1975 Outlays 1975 Budget (February transmittal)	\$7,146.0
Without rescission (current estimate)	7,122.3
With rescission (revised estimate)	7,087.5
(Effect of action on 1976 outlays	-4.9)

Operation and Maintenance
Operation and Maintenance, Air Force

Appropriations provided under this head in the Department of Defense Appropriation Act, 1975, are rescinded in the amount of \$40,000,000, to be derived from the sum provided for the maintenance of real property facilities.

R75-21 Rescission Proposal No.:

# PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency	New budget authority	\$ 2,350,159,000
Department of Defense Jureau	(P.L. 93-437 ) Other budgetary resources	172,658,822
Appropriation Title & Symbol	Total Budgetary Resources	2,522,817,822
Operation and Maintenance, Defense Agencies 9750100	Amount proposed for rescission	1,900,000

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being Proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of the would result reduction of ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced level of maintain and the second level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be activity may not be reprogrammed for increased pay costs, and a rescission is necessary to achieve this savings.

This rescission will reduce 1975 budget authority by \$1.9 million and result in outlay reductions of \$1.9 million in 1976. outlay reductions of \$1.7 million in 1975 and \$.2 million in 1976. ollers in millions

200	Dollars in millions
Total 1975 Outlays	\$1,827.0
1975 Budget (February transmittal)	2,314.2
Without rescission (current estimate)	2,312.5
With rescission (revised estimate)	2)
(Effect of action on 1976 outlays	

Operation and Maintenance
Operation and Maintenance, Defense Agencies

Appropriations provided only for the maintenance of real property facilities under this head in the Department of Defense Appropriation

Act, 1975, in the amount of \$100,000 for the Defense Mapping Agency, in the amount of \$1,000,000 for the Defense Supply Agency, and in the amount of \$800,000 for Intelligence and Communications activities; in all: \$1,900,000, are rescinded.

Rescission Proposal No.: R75-22

PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Department of Defense	New budget authority	\$276,600,000
Bureau	(P.L. 93-437 ) Other budgetary resources	200,000
ppropriation Title & Symbol	Total Budgetary Resources	276,800,000
Operation and Maintenance, Army Reserve 2152080	Amount proposed for rescission	1,800,000

# Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be reprogrammed for increased pay costs, and a rescission is necessary to achieve this savings.

# Estimated Effects

This rescission will reduce 1975 budget authority by \$1.8 million and result in outlay reductions of \$1.6 million in 1975 and \$.2 million in 1976.

	Dollars in millions
Total 1975 Outlays 1975 Budget (February transmittal)	\$277.0
Without rescission (current estimate)	293.0
With rescission (revised estimate)	291.4
(Effect of action on 1976 outlays	2)

Operation and Maintenance
Operation and Maintenance, Army Reserve

Appropriations provided under this head in the Department of Defense
Appropriation Act, 1975, are rescinded in the amount of \$1,800,000,
to be derived from the sum provided for the maintenance of real property
facilities.

R75-23 Rescission Proposal No.:

# PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency <u>Repartment of Defense</u> Bureau	New budget authority  (P.L. 93-437 )  Other budgetary resources	\$ 245,200,000
Appropriation Title & Symbol Operation and Maintenance, Navy Reserve 1751806	Total Budgetary Resources	246,800,000
	Amount proposed for rescission	1,100,000

# Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be reprogrammed for increased pay costs, and a rescission is necessary to achieve this savings.

This rescission will reduce 1975 budget authority by \$1.1 million and result in outlay reductions of \$.8 million in 1975 and \$.2 million in 1976.

	Dollars in millions
Total 1975 Outlays  1975 Budget (February transmittal)	\$228.0
1975 Budget (residuary Without rescission (current estimate)	245.6
Without rescission (revised estimate) With rescission (revised estimate)	244.8
With rescrission on 1976 outlays (Effect of action on 1976 outlays	2)
(Effect of	

Operation and Maintenance
Operation and Maintenance, Navy Reserve

Appropriations provided under this head in the Department of Defense
Appropriation Act. 1975, are rescinded in the amount of \$1,100,000,
to be derived from the sum provided for maintenance of real property
facilities.

Rescission Proposal No.: R75-24

# PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Defense Bureau  Appropriation Title & Symbol  Operation and Maintenance, Air Force Reserve 5753740	New budget authority (P.L. 93-437 ) Other budgetary resources Total Budgetary Resources	\$ 286,680,000 3,114,000 289,794,000
	Amount proposed for rescission	400,000

# Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be reprogrammed for increased pay costs, and a recission is necessary to achieve this savings.

This rescission will reduce 1975 budget authority by \$.4 million and result in outlay reductions of the same amount in 1975.

lay reduces	Dollars in millions	
Total 1975 Outlays	\$274.0	
1975 Budget (February transmittal)	289.6	
Without rescission (current estimate) With rescission (revised estimate)	289.2	
With rescission (1200) (Effect of action on 1976 outlays	-0-)	
(Effect		

Operation and Maintenance
Operation and Maintenance, Air Force Reserve

Appropriations provided under this head in the Department of Defense
Appropriation Act, 1975, are rescinded in the amount of \$400,000, to
be derived from the sum provided for maintenance of real property
facilities.

#### THE PRESIDENT

Rescission Proposal No.: R75-25

PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Defense Bureau	New budget authority (P.L. 93-437 ) Other budgetary resources	\$ _589,500,000
Appropriation Title & Symbol	Total Budgetary Resources	589,500,000
Operation and Maintenance, Army National Guard 2152065	Amount proposed for rescission	1,400,000

# Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be reprogrammed for increased pay costs, and a rescission is necessary to achieve this savings.

This rescission will reduce 1975 budget authority by \$1.4 million and result in outlay reductions of \$1.3 million in 1975 and \$.1 million in 1976.

	Dollars in millions
Total 1975 Outlays  1975 Budget (February transmittal)	\$601.0
1975 Budget (reviews) Without rescission (current estimate)	613.9
With rescission (revised estimate)	612.6
With rescission on 1976 outlays (Effect of action on 1976 outlays	1)
(Effect	

Operation and Maintenance
Operation and Maintenance, Army National Guard

Appropriations provided under this head in the Department of Defense
Appropriation Act, 1975, are rescinded in the amount of \$1,400,000,
to be derived from the sum provided for the maintenance of real property
facilities.

R75-26 Rescission Proposal No.:

PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Defense Bureau Appropriation Title & Symbol	perartment of Defense (P.L. 93-437) Other budgetary resources	\$ 642.500.000 10.510.000 653.010.000
Operation and Maintenance, Air National Guard 5753840	Amount proposed for rescission	500,000

# Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Real property maintenance levels can be varied from year to year. A one-time reduction of ten percent in this annual account is proposed. This would result in a twenty percent reduction over the last half of fiscal 1975. If this reduced level of maintenance were continued over a period of time, it could become serious; however, a one-time reduction would have minimal adverse impact.

The appropriation language specifies that funds appropriated for real property maintenance may be used only for that purpose. Thus, savings in this area of activity may not be reprogrammed for increased pay costs, and a rescission is necessary to achieve this savings.

-This rescission will reduce 1975 budget authority by \$.5 million and result in outlay reductions of \$.4 million in 1975 and \$.1 million in 1976.

	Dollars in millions
Total 1975 Outlays	\$592.0
1975 Budget (February transmittal) Without rescission (current estimate)	659.5
Without rescission (revised estimate)	659.1
With rescission on 1976 outlays	1)

Operation and Maintenance
Operation and Maintenance, Air National Guard

Appropriations provided under this head in the Department of Defense
Appropriation Act. 1975, are rescinded in the amount of \$500,000, to
be derived from the sum provided for maintenance of real property
facilities.

R75-27 Ressission Proposal Me.:

PROPOSED RESCISSION OF BUDGET AUTHORITI Report Pursuant to Sec. 1012 of P.L. 93-344

- and the same of	New budget authority	\$ 242,800,000
Department of Defense	(P.L. 93-437 ) Other budgetary resources	984,900,000
opropriation Title & Symbol	Total Fudgetary Resources	1,227,700,000
Aircraft Procurement, Army 1975/1977 212031	Amount proposed for rescission	13,500,000

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

This rescission of multi-year funds results from the decision not to procure any UH-1H aircraft in 1975. These items are considered marginal in light of the present and projected aircraft inventory.

This rescission will reduce 1975 budget authority by \$13.5 million and result in outlay reductions of \$1.9 million in 1975 and \$6.7 million in 1976.

	Dollars in millions
Total 1975 Outlays	\$119.0
1975 Budget (February transmittal)	77.1
Without rescission (current estimate)	75.2
With rescission (revised estimate) With rescission on 1976 outlays	-6.7)
Effect of action on	

Procurement

Aircraft Procurement, Army

Appropriations provided under this head in the Department of
Defense Appropriation Act, 1975, are rescinded in the amount of
\$13,500,000.

R75-28 Rescission Proposal No.:

FROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Defense Bureau  Agency Agency Title & Symbol	New budget authority (P.L. 93-437 Other budgetary resources Total Budgetary Resources	\$ 3.062,800,000 718,600,000 3.781,400,000
Aircraft Procurement, Air Force 1975/1977 573010		248,000,000

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

This rescission of multi-year funds results from the decision not to procure 24 A-7D's and 12 F-111's in 1975. These items were not requested by the Air Force, nor included in the President's budget and are considered marginal in light of present and projected aircraft inventory.

This rescission will reduce 1975 budget authority by \$248 million and result in outlay reductions of \$33.6 million in 1975 and \$143.6 million in 1976. Dollars in millions

lay	Dollars in millions
Total 1975 Outlays	\$2,888.0
(February transmi	2,669.0
exission (current	2,635.4
design (revised	-143.6)
With rescission on 1976 outlays (Effect of action on 1976 outlays	

#### DEPARTMENT OF DEFENSE - MILITARY

Procurement

Aircraft Procurement, Air Force

Appropriations provided under this head in the Department of
Defense Appropriation Act, 1975, are rescinded in the amount of
\$248,000,000.

#### THE PRESIDENT

Rescission Proposal No.1 R75-29

### PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

		NAMES OF TAXABLE PARTY OF TAXABLE PARTY.
yeary Realth, Education, and Foldare Person Realth Resources Aministration Parties & Symbol Personness Title & Symbol	New budget authority (P.L. Other budgetary resources Total Budgetary Resources	372.465.933(cst.)1/ 372.465.933
Realth Services Planning and Development 753/50321 754/60321	Amount proposed for rescission	372,465,933

This withholding of funds is one of several special actions pro-Justifications posed by the President to restrain 1975 budget outlays.

Elimination of these Hill-Burton expenditures would avoid needless stimulation of further hospital construction, at a time of a generally recognized national oversupply of hospital beds. The suboptimal occupancy rates associated in large part with that oversupply are a factor contributing to the growing cost of medical care generally, and of hospital costs in particular.

### Estimated Effects:

This is a proposed rescission of unobligated balances of 1973 and 1974 appropriations for medical facilities construction allotted to States, but not approved or obligated for specific construction projects by the Department of Health, Education, and Welfare. Budget Butherity

projects by the		Activ:	LLY	Budget Authority
Approp/symbol 753/50321 754/60321	Medical		Construction	\$187,832,353.18 184,633,580.38 \$372,465,933.56
				in estimated

The withholding of these funds is expected to result in estimated The withholding of these lands is expected to result in estimate 1975 outlay savings of \$15 million, and 1976 outlay savings of 1975 outlay savings of \$15 million, and 1976 outlay savings of \$35-40 million, depending upon the rate at which the funds might otherwise be obligated. Based upon the spending history of the otherwise be corrupted. Dased upon the spending nistory of the spending program, \$372 million in Federal matching grants Hill-Burton program, vary million in Federal matching grants could be expected to help fund construction projects totalling about \$1.4 billion. This sum translates to the potential about of approximately 28,000 new hospital beds. Although addition these new beds would be replacing obsolete ones, a many of any percentage would represent an increment to the significant national oversupply of hospital beds.

<sup>1/</sup> This amount represents the unobligated balance brought forward on 7/1/74.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Health Resources Administration
Health Resources Planning and Development

The unobligated balance of funds appropriated for grants under part A of Title VI of the Public Health Service Act are rescinded.

Rescission Proposal No.: R75-30

#### PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

		1 (22 100 000
Agency	New budget authority	\$ 433,100,000
Bepartment of Justice Bureau Federal Bureau of Investigation	(P.L. 93-433 ) Other budgetary resources	4,485,000
Appropriation Title & Symbol	Total Budgetary Resources	437.585.000
Salaries and Expenses, Federal Bureau of Investigation (1550200)	Amount proposed for rescission	

#### Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds have been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action

The proposed rescission will be accomplished through a reduction in personnel costs by normal attrition, postponement of equipment procurement, reduction in headquarter's administrative overhead costs, reduction in the level of training provided to State and local law enforcement officers, and extension of the replacement schedule for

"he overall level of the FRI's investigative program will be reduced slightly by this rescission, although the Rureau's highest priority investigative matters are not expected to be significantly affected.

The funds proposed for rescission are available only in fiscal year 1975.

### Estimated Effects

mated Effects	Dollars in millions
Total 1975 Outlays  1975 Budget (February transmittal)	\$425.300
Without rescission (Current estimate)	\$424.889
With rescission (Revised estimate) (Effect of action on 1976 Outlays	<u>\$419.589</u> 0 )

# DEPARTMENT OF JUSTICE Federal Bureau of Investigation Salaries and Expenses

Appropriations provided under this head in the State,

Justice, Commerce, Judiciary and Related Agencies Appropriation Act, 1975, are rescinded in the amount of \$5,300,000.

Rescission Proposal No.:

## PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

	- enthority	\$ 175,850,000
Agency Department of Justice	New budget authority (P.L. 93-433 ) Other budgetary resources	7,850,000
Bureau Immigration and Naturalization Service Appropriation Title & Symbol	Other budgetary Resources	183,700,000
Calariae and Expenses	Amount proposed for	1,300,000
Immigration and Naturalization Service	rescission	
1551217		

This withholding of funds is one of several special actions proposed by the President to restrain 1975 outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds have been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action

The proposed action reduces funds available for detention and deportation of aliens mlawfully residing in the U.S. from \$19.1 million to \$17.8 million. Even though the program level previously planned for 1975 will be reduced by this rescission, remaining funds still permit an expanded program over previous years.

The funds proposed for rescission are available only in fiscal year 1975.

#### Estimated Effects

ated Effects	Dollars in millions
Total 1975 Outlays	\$178.200
1975 Budget (February transmittal)	\$171.103
Without rescission (Current estimate)	
With rescission (Revised estimate)	\$169.803
(Revised estimate) (Revised estimate) (Effect of action on 1976 Outlays	0 )
(DI-	

# DEPARTMENT OF JUSTICE Immigration and Naturalization Service Salaries and Expenses

Appropriations provided under this head in the State,

Justice, Commerce, Judiciary and Related Agencies Appropriation Act, 1975, are rescinded in the amount of \$1,300,000.

Rescission Proposal No: R75-32 -

### PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency	New budget authority (P.L. 93-433)	\$169,000,000
Department of Justice Bureau	Other budgetary resources	\$ 2,920,000
Bureau of Prisons Appropriation Title and Symbol	Total Budgetary resources	\$171,920,000
Salaries and Expenses 1551060	Amount proposed for rescission	\$ 5,250,000

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated. The items to which this proposed action would be applicable are:

\$4,650,000 - Delays in activation of new facilities. The savings are available during FY 1975 because of late activation of the Butner FCCR, the Miami Youth Center, and the Chicago MCC due to delays in construction.

\$300,000 - Drug Abuse Community Treatment (Aftercare) The Bureau of Prisons will reduce the number of participants in The Bureau or Frisons was reduce the level of services currently aftercare programs and/or reduce the level of services currently aftercare programs and, of reach the level of services currently being provided. The average number of clients to be served will be slightly less than the 2,600 participants in the program at the end of FY 1974.

\$300,000 - Per Capita Care population increase. \$300,000 - ret to a running somewhat below the 23,500 average current population is running somewhat below the 23,500 average Current popularies. If this trend continues, we will not achieve funded in FY 1974. If this trend continues, we will not achieve funded in ... the population projection for FY 1975 of 24,000.

The budget activities affected by the proposed action are:

Budget Activity	Amount
Care	\$3,007,000
Education	375,000
Maintenance and Operations	1,017,000
Medical	551,000
Drug Abuse	300,000
Total	\$5,250,000

The funds proposed for rescission are available only in fiscal year 1975.

#### Estimated Effects

Total 1975 Outlays	Dollars in millions
1975 Budget (Pebruary transmittal)	\$168.900
Without rescission (Current estimate)	\$166.291
With rescission (Revised estimate)	\$161.041
(Effect of action on 1976 Outlays	0)

The proposed actions will have minimal impact on programs during FY 75. The delay in activation of new facilities will not affect current-year programs; however, funds being rescinded will have to be recovered during FY 76 if these new facilities are to be activated on schedule. In the Drug Aftercare Program, it will be necessary to hold the program participation at or near the FY 74 year-end level and possibly reduce slightly the level of services to be provided by the Bureau of Prisons.

DEPARTMENT OF JUSTICE
Federal Prison System
Bureau of Prisons
Salaries and Expenses

Appropriations provided under this head in the State, Justice, Commerce, Judiciary and Related Agencies Appropriation Act, 1975, are rescinded in the amount of \$5,250,000.

R75-33

Recission Proposal No:

## PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Justice	Warrahada a sala ada a	407 600
Bureau	New budget authority (P.L. 93-433)	\$27,690,000
Bureau of Prisons	Other budgetary	
Appropriation Title & Symbol	resources	\$52,015,735
	Total budgetary	
Buildings and Facilities 15X1003	resources	\$79,705,735
	Amount proposed for	
	rescission	\$ 1,750,000

#### Justification

This withholding of funds is one of several actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated. This proposed action would be applicable to Site and Planning activities. There would be a reduction of \$1,050,000 from the \$2,550,000 currently available for the Northeast Adult Facility and a reduction of \$700,000 from the \$2,700,000 available for the Northeast Youth Complex. Efforts will be intensified to acquire sites at no cost to the Government and, if necessary, initial site development will be delayed until the total construction funds are appropriated.

The funds proposed for rescission have been made available without regard to fiscal year limitation.

#### Estimated Effects

Total 1975 Outlays	Dollars in millions
1975 Budget (February transmittal)	\$24.300
Without Rescission (Current estimate)	\$30.637
With Rescission (Revised estimate)	\$28.887
(Effect of action on 1976 Outlays	0)

The Bureau has been relatively successful in acquiring "free" property to construct new institutions. Every effort will contine to acquire surplus federal or state property for future construction. It may also be necessary to delay some initial site development until such time as the total construction funds are made available.

DEPARTMENT OF JUSTICE
Federal Prison System
Bureau of Prisons
Buildings and Facilities

Appropriations provided under this head in the State, Justice, Commerce, Judiciary and Related Agencies Appropriation Act, 1975, are rescinded in the amount of \$1,750,000.

Rescission Proposal No.: \_\_\_

## PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of Justice	New budget authority	\$ 135,000,000
Bureau  Drug Enforcement Administration	(P.L. 93-433 ) Other budgetary resources	6,562,000
Appropriation Title & Symbol	Total Budgetary Resources	141,562,000
Salaries and Expenses 1551100	Amount proposed for rescission	2,400,000

#### Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

This reduction will delay the development of certain communications and detection equipment projects to be used in the drug enforcement program. It is not anticipated that these delays will significantly affect the current enforcement operations of DEA.

The funds proposed for rescission have been made available without regard to fiscal year limitation.

#### Estimated Effects

Total 1975 Outlays	Dollars in millions	
1975 Budget (February transmittal)	\$135.875	
Without rescission (Current estimate)	\$135.978	
With rescission (Revised estimate)	\$133.578	
(Effect of action on 1976 Outlays	0)	

The reduction in the research program will have the effect of extending the period from formulation to final prototype of several of the enginering projects, causing some delay in the provision of these tools to the enforcement community. When the full effect of the reduction can be determined, revised research program requirements will be presented in the normal budget cycle.

DEPARTMENT OF JUSTICE
Drug Enforcement Administration
Salaries and Expenses

Appropriations provided under this head in the State,

Justice, Commerce, Judiciary and Related Agencies Appropriation Act, 1975, are rescinded in the amount of

\$2,400,000.

Rescission Proposal No.: \_ R75-35

## PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of State	New budget authority	\$ 205,903,000
Bureau	(P.L. 93-433) Other budgetary resources	None
Appropriation Title & Symbol Contributions to Inter- national Organizations	Total Budgetary Resources	205,903,000
1951126	Amount proposed for rescission	2,000,000

#### Justification:

The Department of State Appropriation Act, 1975 (Title I, Public Law 93-433, approved October 5, 1974) provides budget authority of \$205,903,000 only for fiscal year 1975 "for expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, convention, or specific Acts of Congress." From funds appropriated in that account the State Department pays the United States' assessed shares of the budgets of some 38 international organizations in which the U.S. has membership, including the United Nations and its specialized agencies, the Inter-American organizations, and other regional and technical bodies.

Each year, the amount estimated for this account in the President's February Budget and the amount appropriated by the Congress are based on actual, approved budgets of most of the various organizations. However, in a few cases the budgets have not received final approval by the organizations' legislative bodies in time, so the President and the Congress must act on estimates of their probable action. Also, the exchange rates at which U.S. contributions are actually paid to a few organizations sometimes differ from the rates used in calculating the budget estimates.

This year, these two factors have caused some U.S. assessments to be less than estimated; the principal ones are:

	Reduction in U.S. assessment
Organization for Economic Cooperation and Development United Nations Educational, Scientific and Cultural	\$978,000
Organization Organization of American States	913,000 505,000

2

Other assessments are greater than estimated; the principal ones are:

	Inc	re	as	e	in
U.	S.	as	se	S	sment

International Telecommunications Union Inter-American Institute of Agricultural Sciences

\$265,000

202,000

These changes in assessments have resulted in net U.S. contributions of \$2,000,000 less than the amount appropriated. Accordingly, \$2,000,000 is proposed for rescission, pursuant to the Antideficiency Act (31 U.S.C. 665) which authorizes the establishment of reserves for savings.

#### Estimated Effects:

This rescission reflects an outlay reduction of \$2,000,000 in 1975 which, however, will have no programmatic effect.

d.	ollars in millions
Total 1975 Outlays  1975 Budget (February transmittal) Without savings (current estimate) With savings (revised estimate) (Effect of action on 1976 outlays	214 206 204 )

DEPARTMENT OF STATE

International Organizations and Conferences

Contributions to International Organizations

Appropriations provided under this head in the Department of State Appropriations Act, 1975, are rescinded in the amount of \$2,000,000.

R75-36 Rescission Proposal No.:

PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency Department of State	New budget authority (P.L. 93-433)	\$ 2,000,000
Bureau	(P.L. 93-433) Other budgetary resources	None
opropriation Title & Symbol International Trade	Total Budgetary Resources	2,000,000
1951147	Amount proposed for rescission	100,000

#### Justification:

The Department of State Appropriation Act, 1975 (Title I, Public Law 93-433, approved October 5, 1974) provides budget authority of \$2,000,000 for fiscal year 1975 "for necessary expenses of participation by the United States in international trade negotiations, " etc. These funds are available only in fiscal year 1975. From funds appropriated in that account the State Department pays for the 1975 costs of the U.S. delegation and certain support staff in Washington for U.S. participation in the multilateral trade negotiations that began in late 1973 at Geneva under the sponsorship of the contracting parties of the General Agreement on Tariffs and Trade (GATT).

Progress of the negotiations has been slow, due, in part, to the delay in the enactment of negotiating authority for the President of the United States, which would be available pursuant to the Trade Reform Bill (H.R. 10710, 93rd Congress) now pending in the Congress. That Bill passed the House of Representatives on December 11, 1973, but has not yet been brought to the floor of the Senate. The estimate of \$2,465,000 in budget authority for international trade negotiations for fiscal year 1975 in the President's February Budget was based on enactment of the Trade Reform Bill earlier in this session of the Congress and faster progress in the negotiations. Since full buildup of the planned U.S. progress in the negotiation and support staff has now been even further negotiating delegation and support staff has now been even further negotiating delegation and support start has now been even rurther delayed, \$100,000 of the \$2,000,000 appropriation will not be required derayed, \$100,000 of the Accordingly, \$100,000 is proposed for during fiscal year 1975. Accordingly, \$100,000 is proposed for rescission, pursuant to the Antideficiency Act (31 U.S.C. 665) which rescission, pursuant to an establishment of reserves for savings.

This rescission reflects an outlay reduction of \$100,000 in 1975 which, however, will have no programmatic effect.

Total 1975 Outlays	dollars in millions
1975 Budget (February transmitted) Without savings (current estimate) With savings (revised estimate)	1.9 1.8 1.7
(Effect of action on 1976 outlays	)

DEPARTMENT OF STATE

International Organizations and Conferences

International Trade Negotiations

Appropriations provided under this head in the Department of State Appropriation Act, 1975, are rescinded in the amount of \$100,000.

Rescission Proposal No.: R75-37

#### PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency The Department of the Treasury	New budget authority	s	25,955,000
Office of the Secretary	(P.L. 93-381 ) Other budgetary resources		
Appropriation Title & Symbol	description of the sources		1.500.000
Salaries and expenses Office of the Secretary of the	Total Budgetary Resources		27,455,000
Treasury 2050101	Amount proposed for rescission	\$	310,000

#### Justification:

This appropriation provides the staff assistance to the Secretary in the discharge of his responsibilities. Included are the immediate assistants to the Secretary, their staffs, the Office of Revenue Sharing, general administrative support services and the maintenance, repair and improvement of the Treasury Building and Annex.

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The funds proposed for rescission are available only in fiscal year 1975.

#### Estimated Effects:

The reduction would be achieved by delaying the lease of automated data processing and communication switching equipment and the curtailment of official travel.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal and May budget amendment)	\$26.7
Without rescission (current estimate)	25.5
With rescission	25.2
(Effect of action on 1976 outlays	-0-)

Office of the Secretary
Salaries and Expenses

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of \$310,000.

Rescission Proposal No.: R75-38

PROPOSED RUSCISSION OF BULGET AUTHORITY herora Pursa et to Sec. 1012 of P.L. 93 344

Agency The Department of the Treasury	New budget authority (P.I. 93-381)	\$ _3,100,000
Federal Law Enforcement Training Cent	er Other budgetary resources	
Appropriation Title h : passa	Total Budgetary Resources	3,100,000
Salaries and Expenses	Amount proposed for	\$60,000
2050104	rescission	

#### Justification:

The consolidated Federal Law Enforcement Training Center provides the necessary facilities and equipment for conducting recruit, advanced, specialized, and refresher training for law enforcement personnel of the participating agencies, plus instructors who teach the basic and some advanced courses in the various curricula. This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The funds proposed for rescission are available only in fiscal year 1975.

#### Estimated Effects:

The reduction would be achieved by eliminating the contracting of selected educational services and deferring the purchase of certain equipment and inventory supplies maintained by the Center for classroom instruction.

Rescission of the amount shown above will not demonstrably interfera with the Bureau's ability to train law enforcement personnel sent by participating agencies.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal)	\$3.2
Without rescission (current estimate)	3.0
With rescission (revised estimate)	2.9
(Effect of action on 1976 Outlays	-0-)

THE PRESIDENT

DEPARTMENT OF THE TREASURY
Federal Law Enforcement Training Center
Salaries and Expenses

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of \$60,000.

Rescission Proposal No.:

R75-39

OR REPORT AUTUODITY

#### PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency The Department of the Ireasury Bureau Accounts Appropriation Title & Symbol	New budget authority (P.1. 93-381) Other budgetary resources Total Budgetary Resources	\$ 113,278,000 3,332,000 116,610,000
Salaries and expenses, Bureau of Accounts*	Amount proposed for rescission	\$630,000

#### Justification:

This appropriation enables the Bureau to provide disbursing services for nearly all civilian executive Government agencies, process check claims, provide Government-wide central accounting services and perform other central fiscal operations. This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The funds proposed for rescission are available only in fiscal year 1975.

#### Estimated Effects.

The rescission would be achieved by eliminating various phases of employee training and related travel, and by reducing the inventory of check envelopes to less than a two month supply. The proposed reduction involving employee training would have no immediate effects on the Bureau's programs nor would the reduction in check envelope inventory unless unusual procurement or transportation problems arise.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal and May budget amendment)	\$100.5
Without rescission (current estimate includ- ing transfer from Office of the Treasurer)	112.0
With rescission (revised estimate)	111.4
(Effect of action on 1976 outlays	-0- )

<sup>\*</sup>The Bureau of Accounts was merged into the new Bureau of Government Financial Operations on February 1, 1974, as the result of Treasury Department Order 229.

# DEPARTMENT OF THE TREASURY Bureau of Accounts Salaries and Expenses

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of \$630,000.

Rencipalen Proposal No.: R75-40

PRO-05TH RESCESSION OF BURGET AUTHORITE Report "Quantat to Sec. 1012 of P.L. 93-244

Agency The Department of the Treasury.	Hew budget author ty	\$ 284,800,000
U.S. Customs Service	Other budgetar, referees	+44,465,000
Salaries and Expenses	Total Budgetery Lecources	329,265,000
2050602	receissio.	\$3,000,000

#### Justification:

The United States Customs Service, as an enforcement arm of the Department of the Treasury, has been vested with authority to collect and protect the revenue on imports and enforce Customs and related laws. The fundamental authority for the activities of Customs is contained in the provisions of the Tariff Act of 1930, as amended (19 U.S.C. 1202 et. seq.). In addition, the U.S. Customs Service administers and enforces or assists other Federal agencies in the administration and enforcement of numerous other laws. This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this witholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The funds proposed for rescission are available only in fiscal year 1975.

#### Estimated Effect:

The reduction would be achieved through a general cutback in Customs programs or a delay in implementing new or expanded 1975 programs. This approach would effect immediate and actual savings this year towards the overall reduction of Federal expenditures and aid in lowering the spiralling inflation of our economy. This approach would have the least adverse effect on the long range Customs programs in that programs are delayed but not eliminated. The rescission of \$3,000,000 in new obligating authority delays planned replacement of equipment due to age and/or condition until the following fiscal year. Planned implementation dates for expansion of the System will slip further into the fiscal year. Planned co-location or expansion of existing space will be delayed until Fiscal Year 1976. Implementation of program increases approved for Fiscal Year 1975 will be forced further into the fiscal year. Training of some employees will be delayed until the following fiscal year.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal and May budget amendment)	\$287.9
Without rescission (current estimate)	300.6
With rescission (revised estimate)	297.6
(Effect of action on 1976 Outlays	-0-)

U. S. Customs Service
Salaries and Expenses

Appropriations provided under this head in the Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of \$3,000,000.

Rescission Proposal No.: R75-41

PROPOSED RESCISSION OF BUDGET AUTHORITY
Report Pursuant to Sec. 1012 of P.L. 93-344

Agency The Department of the Treasury	New budget authority	¢ 41 000 000
Bureau	(P.L. 93-381 )	\$ 41,000,000
Internal Revenue Service	Other budgetary resources	_2,185,000
Appropriation Title & Symbol		
Salaries and Expenses	Total Budgetary Resources	43,185,000
2050911	Amount proposed for rescission	\$530,000

#### Justification:

This appropriation provides for the overall direction of the Internal Revenue Service, for program planning and determining resource needs, for managing its administrative support, and for the maintenance of employee integrity and internal controls. This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The funds proposed for rescission are available only in fiscal year 1975.

#### Estimated Effects:

The reduction would be achieved by deferring training, delaying staff expansion, purchase of equipment, space programs, and operational travel. These rescissions will not affect adversely the IRS program. Total 1975 Outlays

1975 Budget (February transmittal)	\$42.0
Without rescission (current estimate)	42.0
With rescission (revised estimate)	41.5
(Effect of action on 1976 outlays	-0-)

# DEPARTMENT OF THE TREASURY Internal Revenue Service Salaries and Expenses

Appropriations provided under this head in the

Treasury, Postal Service, and General Government Appropriation Act, 1975, are rescinded in the amount of \$530,00

Rescission Proposal No.:

R75-42

PROPOSED RESCISSION OF BUDGET AUTHORITY
Report Pursuant to Sec. 1012 of P.L. 93-344

Agency The Department of the Treasury	New budget authority	\$ 712,600,000
Bureau	(P.L. 93-381)	
Internal Revenue Service Appropriation Title & Symbol	Other budgetary resources	4,082,000
Accounts, Collection and Taxpayer Service	Total Budgetary Resources	_716,682,000
	Amount proposed for	
2050912	rescission	\$ 9,230,000

#### Justification:

This appropriation provides for the mailing of tax return forms and instructions, receiving and processing tax returns, scheduling refunds, issuing notices, accounting for revenues, collecting unpaid taxes, securing unfiled returns, assisting taxpayers in filing timely and accurate returns, providing post-filing account information, and preparing statistical information on income. This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The funds proposed for rescission are available only in fiscal year 1975.

#### Estimated Effects:

The reduction would be achieved by deferring training, acquisition of equipment, site preparation and related space alterations, supplies and materials, and travel, reducing evening and Saturday taxpayer service during the filing period, delaying the Tax Administration system redesign effort, and eliminating county data transcription for revenue-sharing statistical purposes. This rescission will have a neglible effect upon revenues collected by the Internal Revenue Service.

Total 1975 Outlays

Dollars in Millions

1975 Budget (February transmittal and May budget amendment)	
and May budget amendment)	\$724.4
Without rescission (current estimate)	721.7
With rescission (revised estimate)	712.5
(Effect of action on 1976 outlays	-0-)

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Accounts, Collection and Taxpayer Service

Appropriations provided under this head in the Treasury,

Postal Service, and General Government Appropriation Act,

1975, are rescinded in the amount of \$9,230,000.

Rescission Proposal No.: R75-43

PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency		
The Department of the Treasury	New budget authority	\$ 791,000,000
ureau	(P.L. 93-381)	
Internal Revenue Service	Other budgetary resources	+1,436,000
Appropriation Title & Symbol		
	Total Budgetary Resources	792,436,000
Compliance	Total Tangerary Moodalees	752,750,000
Comp i rairce	Amount proposed for	
2050012	The state of the s	£ 30 040 000
2050913	rescission	\$ 10,240,000

#### Justification:

This appropriation provides for determining and establishing tax liabilities, for assuring compliance with the tax laws, for investigation and enforcement activities, for carrying out special law enforcement programs assigned to the Revenue Service. It also provides for rulings and advice necessary for a correct and uniform interpretation and application of the Code, for issuing rulings to taxpayers, and for publishing precedent rulings. Further, it provides for representation in Tax Court cases, for furnishing legal advice and assistance in other civil and criminal litigation, and for providing consultative legal services in matters ranging from labor relations to interpreting the complex provisions of the Internal Revenue Code. This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The funds proposed for rescission are available only in fiscal year 1975.

#### Estimated Effects:

The reduction would be achieved by imposing hiring restrictions, deferring regular travel, training, space programs, and purchase of equipment. This rescission will have a negligible effect upon revenues collected by the Internal Revenue Service.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal and May budget amendment)	\$801.2
Without rescission (current estimate)	* 797.5
With rescission (revised estimate)	787.3
(Effect of action on 1976 outlays	-0-)

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Compliance

Appropriations provided under this head in the Treasury,

Postal Service, and General Government Appropriation Act,

1975, are rescinded in the amount of \$10,240,000.

#### THE PRESIDENT

Rescission Proposal No.: R75-44

## PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

Agency General Services Administration Bureau Public Buildings Service	New budget authority (P.L) Other budgetary resources	\$
Appropriation Title & Symbol	Total Budgetary Resources	1,008,870,700*
Federal Buildings Fund Limitations on Availability of Revenue 47 X 4542	Amount proposed for rescission	20,022,900

#### Justification:

This proposed rescission is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated. The Federal Buildings Fund is used to finance space and services provided Federal agencies by the General Services Administration. The income for the fund is derived from Standard Level User Charges, the availability of which is subject to limitations enacted by the Congress. For 1975, the Congress limited reserve availability to \$1,008,870,700 of which \$98,000,000 is available for alterations and major repairs of public buildings. This proposal will reduce the 1975 obligational authority for repairs and alterations to \$77,977,100 and will require the cancellation of low priority work which has not yet been started.

#### Estimated Effects:

The effect of the reduction in obligational authority will be to reduce outlays by \$10,000,000 in 1975 and \$10,022,900 in 1976. The net effect of the rescission on Federal Buildings Fund outlays is as follows:

Total 1975 Outlays	Dollars in millions
1975 Budget (February transmittal) Without rescission (current estimate) With rescission (revised estimate) (Effect of action on 1976 outlays	-119 -44 -54 -10)

This reduction would impact on about 1,200 man-years of employment in the private sector. The termination of scheduled repair and alteration work will not adversely affect the ability of Federal agencies to carry out essential Government services. The following repair and alteration projects would be canceled in 1975:

\*Excludes increase of \$30,000,000 which would be available upon enactment of pending supplemental request.

Bfack	Estimated Obligations
Boston, MA, McCormack PO CT Brooklyn, NY., FB (225 Cadman) New York City, NY., Foley Square Washington, D.C., Agriculture South Washington, D.C., FB #1 Washington, D.C., Post Office (new) Washington, D.C., Post Office (old) Washington, D.C., State Philadelphia, PA., 5000 Wissahickon Arlington, VA., Pentagon Wheeling, WV., PO CT Jacksonville, FL., PO CT Nashville, TN., US CH Kansas City, MO., FB 1500 E. Bannister Denver, CO., FC Cheyenne, WY., FOB Tucson, AZ., PO CT Los Angeles, CA., CT	\$ 239,000 447,600 3,952,500 1,200,000 407,000 3,813,100 1,200,000 495,000 529,900 438,000 935,800 485,000 674,000 746,000 963,400 1,819,900 490,500 274,600 813,600 98,000
Portland, OR., Pioneer CT	\$20,022,900

GENERAL SERVICES ADMINISTRATION

Real Property Activities

Federal Buildings Fund

Limitation on Availability of Revenue

The amount made available under this head in the
Treasury, Postal Service, and General Government

Appropriations Act, 1975, is hereby reduced in the amount
of \$20,022,900, which reduction shall apply specifically
to the limitation on alterations and major repairs.

Rescission Proposal No.: R75-45

#### PROPOSED RESCISSION OF BUDGET AUTHORITY Report Pursuant to Sec. 1012 of P.L. 93-344

AgencySpecial Action Office for Drug Abuse Prevention Bureau	New budget authority (P.L. 93-381) Other budgetary resources	\$ 4,000,000
Appropriation Title & Symbol. Pharmacological Research, Special Action Office for	Total Budgetary Resources	4,000,000
Drug Abuse Prevention	Amount proposed for rescission	2,760,000

Justification: This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

The funds provided in this annual account support pharmacological studies connected with the development and testing of long-acting methadone, narcotic antagonists, and other related special studies.

The funds proposed for rescission are for the development of a more effective narcotic antagonist to block the effects of opiate addiction in humans. This effort will be funded out of the "Special Fund" account of this agency because by so doing the effort will not be tied specifically to the figures of \$2,760,000. The Special Action Office indicates that it is at least several months away from funding the actual grant. Until the point is reached at which the grant is ready for award, the precise sum needed cannot be determined. By rescinding the funds in this account and funding this pharmacological research from the "Special Fund", where other project funds are located, optimum flexibility can be retained for funding the narcotic antagonist research program. In addition, similar research activities are already being undertaken within the Department of Health, Education, and Welfare.

No effect because this research activity will still be undertaken. No effect because this leader activity will be undertaken. Some lower priority drug abuse related research activities in HEW Estimated Effects: Some lower priority drug abuse related research accivities in HEW may be delayed if additional funds are necessary to complete this study.

Total 1975 Outlays	\$ in thousands)
1975 Budget (February transmittal)	11,840
Without rescission (revised estimate).	18,826
With rescission (revised estimate)	17,826
(Effect of action on 1976 outlays	-1,760)

# SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION Special Fund

Appropriations provided under this head in the Executive Office Appropriation Act, 1975, are rescinded in the amount of \$2,240,000.

#### 7. Deferrals

Reports are included in this part for 41 deferrals of obligations and expenditures totalling \$393 million in obligations and \$10 million in deferrals of expenditures only. These reports are transmitted under the provisions of Title X of the Impoundment Control Act of 1974 (P.L. 93-344). Congressional approval of the actions contemplated would reduce Federal spending in 1975 by \$317 million. An agency summary of the outlay reductions that would be effected follows:

### EFFECT OF DEFERRAL ACTIONS ON OUTLAYS

(Outlay reductions in millions of dollars)

	1975	1976
Agriculture	- 2	-2
Commerce DOD-Civil, Corps of Engineers	-19 -42 1/	-6
Housing and Urban Development	-1 -	-1
InteriorAtomic Energy Commission	-18 -45 1/	-40 +30*
NADA	- 80 -70	+52*
National Foundation on the Arts	-10	
and Humanities	-8	
	-22	-14
Total	-317	+18*

The outlay reductions for each item are identified in the reports in this part. As noted in the individual reports, the withholding associated with the deferrals in this part will generally be delayed until December 16, 1974.

In addition to the deferrals reported herein, other deferral actions have already been taken. They were reported in special messages of September 20, and October 4 and 31, and November 13

I/ Includes outlay reduction as a result of deferrals reported in the President's Special Message of October 31.

<sup>\*</sup> Outlay increase.

(the November 13 message amended some earlier deferral reports). These deferrals of obligational authority include the following major items:

Obligational

the state of the s	authority in millions of dollars
Environmental Protection Agency: Construction grants	9,000
Mranchartation: Federal-ald filliways	4 272
1975 and prior programs	6,358
1	100
Forest roads and trails  Interior road construction programs  Howing and Urban Development:	452
	402
	264
Homeownership assistance Public Facility loans	

The effect of the deferrals previously reported is to reduce Federal spending by more than \$0.4 billion in 1975 and more than \$2.0 billion in 1976.

## SUMMARY OF PROPOSED DEFERRALS (Dollars in thousands)

Defer- ral #	Item	Budget Authority
	Deferrals:	- Indiana
	Agriculture:	
	Forest Service:	
D75-90	Construction and Land Acquisition	
	Commerce:	6,865
	Social and Economic Statistics	
	Administration:	
D75-91	Periodic Censuses and Programs	
	Domestic and International Business	327
	Administration:	
D75-92	Operations and Administration	
	United States Travel Service:	750
	Inter-American Cultural and	
D75-93	Trade Center	
	National Oceanic and Atmospheric	1,420
	Administration:	
D75-94	Operations, Research and Facilities	
D75-95	Coastal Zone Management	6,800
	National Fire Prevention and	1,000
	Control Administration:	
	Operations, Research, and	
D75-96	Administration	
	National Bureau of Standards,	500
	Office of Telecommunications:	
	Scientific and Technical Research	
D75-97	and Services	
	Maritime Administration:	3,718
D75-98	Ship Construction	
D75-99		5,750
D75-100	Operations and Training	3,468
	and rearring	1,300
	Health, Education, and Welfare	
D75-101	nealth Resources Administration.	
D/3-101	Health Resources (Health Manpower)	3,590
D75-102	medich Resources (Program	
D13-102	Management)	1,400
	Office of Education:	-, -, -, -, -, -, -, -, -, -, -, -, -, -
D75-103	Elementary and Secondary Education:	
D75-104	Duppiementary services	9,278
D75-105		6,562
200		1,900
D75-106	Office of the Secretary: Departmental Management	
	The ital Management.	1,902

Defer-	Item	Budget Authority
Idl V	Deferrals (cont):	
	Housing and Urban Development:	
	community planning and Development:	
D75-107	Comprehensive Planning Grants	50,000
D12-101	policy Development and Research:	-
D75-108	Research and Technology	8,000
D13-100	Interior:	
	Bureau of Outdoor Recreation:	20,000
D75-109	Land and Water Conservation	
	Atomic Energy Commission:	(10,000)1/
	Operating Expenses:	4,000
D75-110	Weapons Program	1,000
	and Development	8,000
D75-111	Civilian Reactor Research	
	and Development	6,700
D75-112	physical Decearch	2,700
D75-113	Controlled Thermonuclear Research	8,700
D75-114	ni-madical and Environmental	
	Research and Safety	4,000
D75-115	Operating Expenses/Plant and	
	a Lal Parinment:	4 700
D75-116	Weapons Program	4,700
D13-110	Plant and Capital Equipment:	12,000
D75-117	Nuclear Materials	12,000
D75-118	- diam Posctor Research	
	and Development	10,000
D75-119	cimilian Peactor Research	
-== 120	and Development	1,500
D75-120	ai-ilian Poactor Research	12 100
D75-121	and Development	12,100
013 111	Civilian Reactor Research and Development and Controlled	
	Thermonuclear Research	13,000
D75-122	Other Capital Equipment	13,900
D75-123	National Aeronautics and Space	
	Administration:	
	and Development:	20,000
D75-124	Manned Space Flight	16,000
D75-125	a	
	Space Supporting Activities	36,000
D75-125	DPUCO COPPETATION	

<sup>1/</sup> Deferral of outlays only.

Defer-	Item	Budget Authority
	Deferrals (cont):	
	Other Independent Agencies: National Foundation on the Arts and Humanities:	
D75-127	Salaries and Expenses	18,000
D75-128	Salaries and Expenses (Special	15,000
D75-129	Energy R&D Appropriation Act, 1975) Small Business Administration: Business Loan & Investment	5,000
D75-130	Fund	36,000
Total Defe	errals	393,090

### DEFERRAL OF SUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Agriculture	New budget authority	\$ 30,908,000
ureau Forest Service	Other budgetary resources	13,017,154
oppropriation Title & Symbol	Total Budgetary Resources	43,925,154
Construction and Land Acquisition, Forest Service 12X1103	Amount to be deferred part of year	
	Amount to be deferred for entire year	6,865,000

Deferral of \$6,865,000 for construction of recreation and research facilities is one of several special actions proposed by the President to restrain 1975 budget outlays. The timing of construction of the facilities proposed for deferral is not critical to the specific local areas or to the Nation as a whole. These funds are available until expended with construction expected to be undertaken in FY 1976.

### Estimated Effécts:

Deferral of these funds, which remain available until expended, will postpone construction and use of the projects involved for one year. Employment would be reduced in fiscal year 1975 by about 15 direct Federal and 100 non-Federal man-years. Deferral would reduce outlays by \$2,400,000 in fiscal year 1975 and \$2,100,000 in fiscal year 1976 if funds are obligated in fiscal year 1976.

fiscal year 1976 if funds ar	Dollars in Militons
Total 1975 Outlays  1975 Budget (February transmittal) Without deferral (current estimate) With deferral (revised estimate) With deferral (revised outlays) (Effect of action on 1976 outlays)	33.9 36.2 33.8 -2.1)

## Recreation-Public Use

Council Bluffs Projects, Clark NF, Missouri......\$500,000 Work includes completions of culvert through dam, stilling basin, construction of the Work includes completions or curver through dam, stilling basin, construction of remaining portion of the dam and spillway, including excavation of the remaining remaining portion of the dam and options, including excavation of the remaining portions of the spillway, concrete spillway crest sections, additional cleaning, portions of the spillway, cleaning Moll Creek, relocation of utilities. portions of the spiliway, concrete spiliway crest sections, additional cleaning, seeding and mulching, cleaning Moll Creek, relocation of utilities, construction of seeding and mulching, cleaning riprap on the dam surface seeding and mulching; earth fill for dam, and installing riprap on the dam surface.

0

Mueller Park Recreation Area, Wasatch NF Utah ...... \$100,000

Work at the site would include: (1) improying the water and sanitation, (2) riprapping of streambanks, (3) providing new tables and grills, (4) paving under new tables and path systems, (5) planting of trees and shrubs, (6) installing more effective signing, and (7) providing trailhead facilities for the North Canyon Mueller Park Trail.

Robert S. Kerr Memorial Arboretum and Nature Center, Ouachita NF, Oklahoma.. \$450,000

Construction of basic facilities including plaza, orientation building, and restrooms is planned. On-site utilities of electricity, sewage disposal, and water would also be developed. Construction of nature trails and paving access roads and parking area would be done.

Would construct a second cave tour and expand the sewage treatment facilities.

Construction of a 100,000-gallon water storage tank and water line, four recirculating oil vault toilets, and five group camping areas.

Work would consist of a feasibility study to determine the most desirable sewer system to be designed and installed. Subsequent phases will include the planning, contracting, and construction of a sewer system or systems that will serve all recreation developments within the two Canyons.

Lamoille Canyon-Ruby Mountain Recreation Area, Humboldt NF, Nevada ...... \$365,000

Improvement work is planned for a 3-year period to allow the public to use portions of the Canyon. Initial work will be restoration and expansion of Thomas Canyon campground, installation of information signs and traffic control barriers at roadside vistas, construction of public comfort stations, installation of sanitation, parking and traffic control facilities, and landscaping roadend-trailhead.

Funds for this project were appropriated in fiscal year 1974. Feasibility studies were in process but no environmental studies had been made as required by the National Environmental Policy Act.

Feasibility studies have since been completed and we are in the process of reviewing environmental impacts. A draft environmental statement has been completed and it was circulated for agency and public comment. These comments are being analyzed and a final statement will be issued toward the end of fiscal year 1975.

At this point the environmental feasibility of the reservoir is still unresolved pending issuance of a final environmental statement. The decision on whether to proceed with construction will be made concurrent with issuance of the environmental impact statement. Therefore, deferring construction funding at this time will have no affect on the project.

### Research Construction

Research Construction	\$400,000
Forestry Sciences Laboratory, Auburn, Alabama	inted to develop plans

In fiscal year 1972, \$110,000 in planning funds were appropriated to develop plans and specifications for the Forestry Sciences Laboratory proposed for construction on a 6-acre plot donated by Auburn University. These funds would be used to complete facilities in the main laboratory.

### \$2,800,000 Forestry Sciences Laboratory, West Laboratory Wing, Corvallis, Oregon .....

In 1962 a Forestry Sciences Laboratory was completed on the campus of Oregon State University. In 1967 Congress appropriated funds to plan a major addition to the laboratory. These plans were completed in 1969. Congress appropriated \$500,000 in 1070 and \$500,000 again in fiscal year 1971, which permitted completion of wings containing service facilities, library and mechanical plant. In fiscal year 1974, \$1,500,000 was appropriated to complete the East Research Wing. These funds would

### be used to complete the West Wing. Forestry Sciences Laboratory, Fresno, California ...

The Forest Service research program at Fresno, California, is focused on integrated, multiple use management of the varied vegetation types of the Sierra Nevada, which encompass grassy foothills a few hundred feet above sea level to the 14,000-foot Crest less than 50 miles away. These funds would be used for planning and design of a laboratory on land now being considered for lease by the California State University.

### DEFERRAL \*\* BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Lanner	New budget authority	
Agency Department of Commerce	(P.L. <u>93-433</u> )	\$ 22,250,000
Bureau Social and Economic Statistics		
Administration	Other budgetary resources	\$ 4,021,000
Appropriation Title & Symbol	Total budgetary resources	\$ 26,271,000
Periodic Censuses and Programs	Amount to be deferred part of year	\$
13x0450	Amount to be deferred for entire year	\$ 327,000
		φ 3-1,000

#### JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

This appropriation provides funds to conduct periodic censuses and surveys, pertaining to the major economic and demographic areas once or twice each decade. Funding also covers the maintenance of geographic support activities that relates to the various censuses and the acquisition of large scale data processing equipment. These funds are available without regard to fiscal year limitation.

The 1975 appropriation includes funds for rental of a central processor for the Bureau of the Census computer facility. Rental of this processor, originally scheduled to be operational by February 15, 1975, would be delayed for three months to May 15, as a result of this deferral action.

#### ESTIMATED EFFECTS:

Minor delays only are expected in computer processing during the three month deferral period. Other computer equipment, now installed, will continue to perform the required

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal). Without deferral (current estimate). With deferral (revised estimate). (Effect of action on 1476 outlays.	25.1

### DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.L. 93-433)	\$ 58,750,000
mestic and International Business	Other budgetary resources	\$
Administration Appropriation Title & Symbol	Total budgetary resource	\$ 58,750,000
Operations and Administration	Amount to be deferred part of 'year	\$
13X1250	Amount to be deferred for entire year	\$ 750,000

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action

The "Operations and Administration" appropriation is the primary source of funding for the myriad of programs conducted by the Domestic and International Business Administration. The overall mission of the Domestic and International Business Administration. Administration is to assist in strengthening the economy of the United States through programs ranging from those developed to assist American business to improve its operations and competitiveness in American markets to those designed to encourage American business to engage in export trade.

Within the "Operations and Administration" appropriation, the deferral will delay within the operations and house travel costs (\$200,000), contract costs for the the use of funds in three areas: travel costs (\$200,000), contract costs for competitive assessment program (\$100,000), and export promotion/development competitive assessment properties of these programs are available without regard activities (\$450,000). Funds provided for these programs are available without regard to fiscal year limitation.

The deferral of travel expenditures until FY 1976 reflects fewer foreign inspection The deferral of travel expendioures dutil 11 1970 feffects rewer foreign inspection trips of operations overseas, and revised scheduling of business seminars, conferences, trips of operations overseas, and revised scheduling of business seminars, conferences, ESTIMATED EFFECTS: trips of operations overfeed, and there planning is still incomplete.

The deferral of contractual services in the competitive assessment program occurs The deferral of contraction of the program. Since there was some several months of in the major studies segment of the program. in the major state implementation of the entire program while a restructuring of delay in the general implementation of the entire program while a restructuring of delay in the general was completed, the requirement for these longer-range studies can the program design was completed, the requirement for these longer-range studies can the program to the program to the program and the completion of the be deferred. Specifications for the major studies must await the completion of the initial basic data analysis.

TOTAL 1975 OUTLAYS:

-2-

The trade promotion/development expenses previously scheduled for the spring of FY 1975 are being delayed until early 1976. The associated delay in promotional events will be:

- FY 1975 trade fairs will be reduced from 27 to 25 (no impact in East-West activities). The two fairs will take place in FY 1976.
- FY 1975 trade missions will be reduced from 44 to 38 (2 related to East-West activities). The 6 missions will take place in FY 1976.
- FY 1975 reduction in special techniques activities are in-store promotions plus 5 other events in the special activities area (one technical sales seminar is in the East-West activities).

Market research, trade analysis and other activities related to the development of future events are being correspondingly delayed.

DOLLARS IN MILLIONS

TOTAL 1975 COLLECTOR							DOLLLING	TH HELDELOND
1975 Budget (February transmittal).								60.1
Without deferral (current estimate)								59.4
With deferral (revised estimate).								<u>58.9</u> -0.3)
(Effect of action on 1976 outlays.								-0.3)

### DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority	\$
Bureau United States Travel Service	Other budgetary resources	5,050,729
Appropriation Title & Symbol	Total Budgetary Resources	5,050,729
Inter-American Cultural and Trade Center	Amount to be deferred part of year	
13X1804	Amount to be deferred for entire year	1,419,729

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Funds were appropriated in 1966 for a Federal exhibit at the Inter-American Cultural and Trade Center (Interama) in Dade County, Florida. The funds are to be used for the design and operation of a Federal exhibit. The delay in the use of the funds has resulted from the difficulties experienced by Interama in obtaining financing. These funds are available without regard to fiscal year limitation.

It previously was planned to defer \$1,419,729 for only part of fiscal year 1975, and defer the use of \$3,471,000 for the entire year. This was reported in Deferral No. D75-28. In order to restrain 1975 outlays, it is now proposed to defer \$4,890,729 for the entire year. This report serves now proposed to delet year deferral of \$1,419,729 as previously reported to eliminate the part-year deferral of \$1,419,729 as previously reported to eliminate the part of this change will be reflected in the appropriate in Deferral No. D75-28. This change will be reflected in the appropriate cumulative report.

This deferral will prevent further efforts in 1975 on design of a Federal This deferral will prevent further exhibit. This deferral may have little or no delaying effect on the exhibit. exhibit. This deferral may have fittle of no defaying effect on the project because of continued difficulties by Interama in obtaining financipal financing for the Center is obtained, there would not be a serious ing. If the success of the project by deferring the use of these financials are the success of the project by deferring the use of these financials. ing. If financing to the center is obtained, there would not be a serious impact on the success of the project by deferring the use of these funds

impact im
TOTAL 1975 Budget (February transmittenate)
1975 Budeferral (current imate) 0.3
without deferral (revised estimates -1.1)
with deferral (revised estimate)

### DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.L. 93-433)	\$ 440,930,000
Bureau National Oceanic and Atmospheric Administration	Other budgetary resources	\$ 4,175,851
Appropriation Title & Symbol Operations, Research and	Total Budgetary Resources	\$ 445,105,851
Facilities	Amount to be deferred part of year	\$ 10.16.0
13X1450	Amount to be deferred for entire year	\$ 6,800,000

#### JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The operations, research and facilities appropriation encompasses many of the Nation's major civil programs involving the oceans and the atmosphere. Included are mapping, charting, and surveying services; ocean fisheries and living marine resources programs; marine ecosystems analysis and ocean dumping programs; marine technology programs; the Sea Grant program; basic environmental services environmental satellite services; public weather forecast and warning services; environmental data and information services; and administrative services for NOAA. It is proposed that a total of \$6,800,000 of the appropriation be deferred for the entire year. Projects that would be deferred include a portion of State-Federal Fisheries Management grant funds; construction, maintenance, and operation of four salmon and steelhead rearing ponds in the Columbia River hatchery system; initiation of the Puget Sound MESA project; a portion of the FY 1975 Sea Grant increase; deployment of several data buoys; procurement of radar data processing units; a portion of university grants to study satellite remote sensing techniques; a portion of the acquisition of minicomputers and display systems to automate the field operations and services of the Weather service; and establishment of a National Severe Storms Forecast Center in Kansas City, Missouri. These funds have been made available without regard to fiscal year limitation.

#### ESTIMATED EFFECTS:

Of the \$5.8 million available for State-Federal Fisheries Management grants, \$600,000 is proposed for deferral. The deferral will have a minimum impact since adjustments will be made to the funds available to the participating states on a pro rata basis.

The deferral of \$1.3 million for construction, maintenance and operation of the Columbia River hatchery system will result in the delay of completion of four additional salmon and steelhead rearing ponds in 1975. Twenty one fish hatcheries are presently operated at an annual cost of \$5.1 million.

The deferral of \$500,000 for a Puget Sound marine ecosystems analysis (MESA) project will delay initiation of the project.

The deferral of \$1,034,000 in the FY 1975 Sea Grant program will result in a total of \$21,200,000 remaining available for grants to universities, private institutions and industry exclusive of program management. The amount remaining available is \$1.4 million more than in 1974.

The number of data buoys deployed as part of NOAA's marine observations program will be reduced in 1975 from 13 to 9 by the deferral of \$927,000. \$7.9 million will remain in the NOAA budget for the marine observations program in 1975.

The proposed deferral of \$800,000 for procurement of radar data processing units for long-range weather radars will delay their installation by two years. In the interim, existing operations will be continued.

The \$100,000 of contracts and grants to universities for work on development of satellite remote sensing techniques proposed for deferral will lengthen completion times of some projects in 1975. \$300,000 remains budgeted in 1975 for these programs.

The deferral of \$1,266,000 of the FY 1975 AFOS increase will extend the completion time of the project by one year. \$2,180,000 will remain available to begin implementation of AFOS in 1975.

The deferral of \$273,000 to establish the severe storm unit in Kansas City will result in some delay on research efforts to improve severe storm forecast techniques.

TOTAL 1975 OUTLAYS:	DOLLARS IN MILLIONS
1975 Budget (February transmittal)	\$415.1
without deferral (current estimate)	419.8 413.0
With deferral (revised Escalar) (Effect of action on 1976 outlays	0)

Agency Department of Commerce	New budget authority (P.L. 93-433)	\$	12,000,000
Bureau National Oceanic and Atmospheric Administration	Other budgetary resources	\$	3,251,443
Appropriation Title & Symbol	Total Budgetary Resources	\$ .	15,251,443
Coastal Zone Management	Amount to be deferred part of year	\$	
13X1451	Amount to be deferred for entire year	\$	1,000,000

#### JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated. The Coastal Zone Management Act of 1972 authorized estuarine sanctuary grants to enable states to acquire, develop and operate estuarine sanctuaries for the purpose of creating natural field laboratories to gather data and to study the effects of natural and human processes upon the controlled environments.

In FY 1974, \$4 million was made available from the initial Coastal Zone Management appropriation of \$12 million for estuarine sanctuaries. One grant of \$825,000 was awarded to Oregon on June 30, 1974, to establish an estuarine sanctuary program. The remaining \$3,175,000 is available until expended. It is proposed to defer \$1 million of this remaining balance until FY 1976 which will leave \$2,175,000 available for obligation in FY 1975.

Deferral No. D75-30 transmitted in the special message of October 4, 1974, reported that the \$3,175,000 was being deferred for part of the year. This report serves to reduce Deferral No. D75-30 by \$1,000,000. This transaction will be reflected in the appropriate cumulative report.

No formal applications have been submitted for estuarine sanctuary grants thus far in FY 1975, and it is anticipated that \$2,175,000 will provide adequate funding for those grants that are projected for the remainder of FY 1975. The deferral of \$1 million of estuarine sanctuary grant funds beyond FY 1975 should not have an adverse program effect.

TOTAL 1975 OUTIAYS:	DOLLARS IN MILLIONS
1975 Budget (February transmittal)	\$15.5
Without deferral (current estimate)	21.1
With deferral (revised estimate)	20.1
(Effect of action on 1976 outlays	0)

DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344 D75-96

kency benertment of Commerce	New budget authority (P.L. 93-433	\$ .	6,000,000
mreau National Fire Prevention mi Control Administration	Other budgetary resources	\$ .	Carlo Carlo
imropriation Title & Symbol	Total Budgetary Resources	\$ -	6,000,000
perations, Research, and	Amount to be deferred part of year	\$ .	
Administration	Amount to be deferred for entire year	\$ .	500,000
13X50800			

This withholding of funds is one of several special actions proposed by the President to testrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

Funds are appropriated in FY 1975 for the National Fire Prevention and Control Act of 1974, including \$4.7 million for research and development. This deferral of \$500,000 will limit the expansion of this new R&D program in 1975. Due to the delay in enactment of the new authorization, it will be difficult for the new Administration to effectively use all of the first the formula of the funds. The funds proposed for deferral are available without regard to fiscal year limitation.

Deferral of \$500,000 will still permit a small increase in total Federal funding for fire research and development in FY 1975 compared to 1974. DOLLARS IN MILLIONS

research and	DODIER THE
TOTAL 1975 OUTLAYS:	\$9.0
TOTAL 1975 OUTLAYS:  1975 Budget (February transmittal)  Without deferral (current estimate)	5.7
Without deferral (current	5.3
With deferral (revised estimate) With deferral (revised estimate)  (Effect of action on 1976 outlays	0)
Effect of activity	

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority	\$ 61,400,000
Bureau National Bureau of	(P.L. 93-433 )	4 01,400,000
Appropriation Title & Symbol tions	Other budgetary resources	10,310,054
Scientific and technical	Total Budgetary Resources	71,710,054
research and services	Amount to be deferred part of year	
	Amount to be deferred for entire year	3,718,000

#### JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until becember 16, 1974, to permit Congressional review of the action contemplated.

This appropriation funds the activities of the National Bureau of Standards (NBS), which conducts research and develops standards to support the Nation's physical measurement system and equity in trade and performs technical services to promote public safety, National Technical Information Service (NTIS), and the Office of Telecommunications (OT). These funds have been made available without regard to fiscal year limitation.

It is proposed to defer NBS new initiatives in the following areas: radiation safety, water pollution and clinical measurements. On-going activities in electromagnetics, flow measurements, chemical materials, polymeric materials and experimental technology incentives will be deferred. Finally, it is proposed that programs in engineering mechanics and inventor assistance in NBS, and ionospheric research in OT, be terminated.

#### ESTIMATED EFFECTS:

Deferral of NBS new initiatives will have the following effects: Delays in initiating aspects of the radiation safety program (\$256,000) will defer by 18 months the implementation of a national system of radiation calibrations; there will be a one-year delay in water pollution data gathering and development of detection methods (\$80,000); and research on clinical measurement methods and materials (\$190,000) will be delayed by one year.

Deferrals in on-going programs would have the following impacts:
Slowing development of an electromagnetic measurement capability
(S153,000) will delay beyond FY 1976 the improved handling of data
(from research on broadcast waves. A two-year delay in implementing
a field calibration program for flow measurement, postponement of
achievement of improved methods for predicting pollution levels and
achievement of improved methods for predicting pollution levels and
achievement delay in developing standards for high voltage distribution
a one-year delay in developing standards for high voltage distribution
chemical materials and polymeric materials (\$245,000). The slowdown
chemical materials and polymeric materials (\$245,000). The slowdown
will make possible a systematic evaluation of experiments which have
already been initiated.

Termination of the activities in engineering mechanics (\$91,000) will eliminate dissemination of some engineering data and development of new fiberglass test methods. Termination of National Inventors to Council support (\$50,000) will make it necessary for inventors to each government assistance without benefit of a central advisory seek government assistance without benefit of a central advisory service. Termination of OT research in ionospheric modification service. Termination of of the service and implementation of further (\$24,000) will delay development and implementation of further application of this technique.

application of this	DOLLARS IN MILLIONS
TOTAL 1975 OUTLAYS:  1975 Budget (February transmittal)  Without deferral (current estimate)  With deferral (revised estimate)  (Effect of action on 1976 outlays	\$64.8 64.4 62.0 -1.3)

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce Bureau	New hudget authority (P.L. 93-433)	\$ 275,000,000
Maritime Administration Appropriation Title and Symbol	Other budgetary resources	\$ 17,003,836
Ship Construction	Total budgetary resources	\$ 292,003,836
13X1708	Amount to be deferred part of year	\$
	Amount to be deferred for entire year	\$ 5,750,000

#### JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

This appropriation provides subsidies for the construction of ships in United States shipyards, and has been made available without regard to fiscal year limitation.

The proposed deferral will delay the conversion of one containership planned for 1975.

#### ESTIMATED EFFECTS:

The deferral will have no adverse effect on improving the international competitive position of U.S. shippards because the yards will have a good backlog of orders without this conversion.

#### TOTAL 1975 OUTLAYS:

1975 Budget (February transmittal) Without deferral (current estimate) With deferral (revised estimate) (Effect of action on 1976 outlays)

#### DOLLARS IN MILLIONS

282.8 260.0 256.0

#### DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce Bureau	New budget authority (P.I. 94-433)	\$.	25,900,000
Maritime Administration Appropriation Title	Other budgetary resources	\$_	193,000
Research and Development	Total budgetary resources	\$_	26,093,000
3X1716	Amount to be deferred part of year	\$_	
	Amount to be deferred for entire year	\$_	3,468,000

#### JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

This appropriation provides for research and development activities directed toward increasing the competitiveness of the U.S. merchant marine. Work is principally conducted through contracts on a cost-sharing basis with private industry. The deferral will reduce nuclear R&D funding by \$1,468,000, and other R&D projects by \$2,000,000.

These funds are available without regard to fiscal year limitation.

### ESTIMATED EFFECTS:

The reduction in the nuclear R&D program will leave \$2,582,000 in FY 1975 to continue high priority nuclear projects. The other R&D program reductions represent about a 9% decrease in funding for the non-nuclear R&D projects in FY 1975. Recent uncertainties concerning the commercial viability of nuclear-powered merchant ships have resulted in the need to reevaluate the supporting nuclear R&D program. Thus, a portion of the rogram relating to the development of nuclear system components can be deferred in program relating to the deterred in program slippages will also be made in shipboard automation efforts, the start up of the ship operations simulator, ports and terminals development, and advanced communications systems development,

	DOLLARD TH PATELLOID
Table 1975 Outlay:	24.3
1975 Budget (February transmittal)	25.8
1975 Budget (February transmittat). Without deferral (current estimate)	24.0
Without deferral (current estimates)	-1.7)
Effect of accion on a	

Deferral No .:

D75-100

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.f. 13-133)	\$_40,333,000
Maritime Administration Appropriation Title and Symbol	Other budgetary resources	\$ 198,000
Operations and Training	Total budgetary resources	\$ 40,531,000
13X1750	Amount to be deferred part of year	\$
	Amount to be deferred for entire year	\$ 1,300,000

#### JUSTIFICATION:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

This appropriation provides for the overall headquarters and field staff direction of the Maritime Administration programs; the operation of the U.S. Maritime Academy; financial assistance to State marine schools; maintenance of the National Defense Reserve Fleet; and other related programs. These funds are available without regard to fiscal year limitation.

A deferral is proposed for a portion of the U.S. Merchant Marine Academy modernization program.

#### ESTIMATED EFFECTS:

Because bids for the modification of the physical fitness facilities at the Academy were in excess of funds appropriated, it is proposed to defer the modification of O'Hara Hall facilities. Additionally, the start of Samuel's Hall modification (which will be fully funded in FY 1975) will be delayed by about 3 months.

Total 1975 (utlays	Dollars in Millions
1975 Budget (February transmittal)	38.8
With deferral (revised estimate)	39.1

#### DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Leurcy Department of Health, Education, and Welfare Poreau	New budget authority (P.L. 93-488)	\$ .	62,500,000
Health Resources Administra	tiother budgetary resources		
Appropriation Title & Symbol Health Resources	Total Budgetary Resources		62,500,000
7550712 (Health manpower "special projects" activities)	Amount to be deferred part of year		3,550,000
	Amount to be deferred for entire year		

#### Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. This withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The Administration is recommending a \$7 million reduction in budget authority for new grant awards in the health manpower "special projects" activities. These savings will be distributed in relatively small amounts among several activities. An ample number of new grant awards will be made, after this reduction has been taken, in the higher priority areas, such as improving the geographic and specialty distribution of health professionals.

The funds proposed for deferral are made available under Continuing Resolution which remains in effect until adjournment of the 93rd Congress.

#### Estimated Effects

The following effects would result from approval of both the amendment and deferral being proposed:

Total 1975 Outlays	llars in milli	ons
1975 Budget (February transmittal)	84.5	
Without deferral (current estimate)	84.5	
With deferral (revised estimate)	82.5	
Effect of action on 1976 outlays	-5.0	

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare	New budget authority	\$ 32,323,000
Bureau Health Resources Administration	(P.L. 93-488 ) Other budgetary resources	_
Appropriation Title & Symbol Health Resources	Total Budgetary Resources	32,323,000
7550712	Amount to be deferred part of year	1,400,000
(Program Management)		
	Amount to be deferred for entire year	

#### Justification:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 outlays. This withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The Administration is recommending a \$2.8 million reduction in program management funds for the Health Resources Administration. This sum represents the agency's share of a \$30 million reduction in the health agencies' general overhead expenses.

The funds proposed for deferral are made available under Continuing Resolution which remains in effect until adjournment of the 93rd Congress.

#### Estimated Effects:

The following effects would result from approval of both the amendment and deferral being proposed:

Total 1975 Outlays	dollars in millions	
1975 Budget (February transmittal)	43	
Without deferral (current estimate)	43	
With deferral (revised estimate)	40	
Effect of action on 1976 outlays		

These savings will result in less travel and fewer consultants, and are not expected to cause major disruption or inability to manage the programs for which the agency is responsible.

D75-103

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

		The same of the sa
Agency Department of Health, Education and Welfare Bureau Office of Education	New budget authority (P.L. 93-448) Other budgetary resources	\$64,039,000
Appropriation Title & Symbol Elementary and Secondary Education - 7550279	Total Budgetary Resources	64,039,000
(Supplementary Services)	Amount to be deferred part of year	9,278,000
	Amount to be deferred for entire year	

#### Justification:

The 1975 President's Budget proposed a total of \$146,393,000, the same as the 1974 level, for supplementary services. The program was continued at this level during the first quarter under the original Continuing Resolution with an amount of \$32,487,000 made available.

However, subsequent action by the House on the supplemental appropriation bill would reduce the program to a total of \$125,000,000. The Senate bill would reduce the program even further to a total Committee has recommended reducing the program even further to a total

Even though the extended Continuing Resolution technically authorizes Even though the extended Continuing Resolution technically authorizes Even though the program at the \$146,393,000 level, it appears that the maintaining the program at the \$125,000,000. This will preserve the at the House allowance level of \$125,000,000. This will preserve the at the House allowance level of Administration in arriving at a flexibility of the Congress and the Administration in arriving at a flexibility of the level at which this program should be continued.

The discretionary portion of the program (15 percent is reserved for the Commissioner) is not affected by this action since the bulk of the Commissioner) is not obligated until later in the year. The deferred these funds is not obligated until later in the year. The deferred amount of \$9,278,000 is for the State grant portion only, and repreamount of difference between the \$146,393,000 and the \$125,000,000 sents the difference between the deferred funds are not available levels on a half-year basis. The deferred funds are not available beyond

#### Estimated Effects:

The effect of this deferral is to fund the State grant portion of the program at a level of \$53,899,000 for the first half of FY 1975, as contrasted to \$63,177,000 per half in FY 1974. The deferral will have little or no programmatic effect because it involves the approval of new projects which would not start until a later time. Therefore, States can just as effectively utilize these funds later in the year. The President's 1975 Budget included estimated outlays of \$2,320,000 in 1975 and \$6,958,000 in 1976 against the amount being withheld. The deferral will merely shift the \$2,320,000 from the first to the second half of 1975.

D75-104

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare Bureau Office of Education Appropriation Title & Symbol Elementary and Secondary Education - 7550279  (Equipment and Minor Remodeling)	New budget authority \$14,250,000 (P.L. 93-448) Other budgetary resources Total Budgetary Resources 14,250,000
	Amount to be deferred part of year 6,562,500
	Amount to be deferred for entire year
Transfer and	

#### Justification:

The 1975 President's Budget proposed a total of \$28,500,000, the same as the 1974 level, for equipment and minor remodeling. This program consists of grants to States for equipment acquisition (\$26,250,000) and for State administration of the program (\$2,000,000), and loans to nonprofit private schools \$250,000). The program was continued at this level during the first quarter under the original Continuing Resolution with an amount of \$7,100,000 made available.

However, subsequent action by the House on the supplemental appropriation bill would reduce the program to a total of \$15,000,000 - \$12,750,000 for equipment grants, \$2,000,000 for State administration, and \$250,000 for loans. The Senate Committee has recommended restoring the program to the \$28,500,000 level.

Even though the extended Continuing Resolution technically authorizes maintaining the program at the higher level, it appears that the most judicious course of action during the second quarter is to operate at the level of the House allowance. This will preserve the flexibility of the Congress and the Administration in arriving at a final decision on the level at which this program should be continued.

Therefore, an amount of \$6,562,500 for equipment grants to States is reported as being deferred. This action does not affect the operating expenses of State agencies or loans to non-profit private schools, both of which are being funded in the second quarter. The deferred funds are not available beyond fiscal year 1975.

2

#### Estimated Effects:

The effect of this deferral is to fund the equipment grants to States at a level of \$6,562,500 for the first half of FY 1975, as contrasted to \$13,125,000 per half in FY 1974. The deferral will have little or no programmatic effect because States can just as effectively utilize their equipment grants later in the year. The President's 1975 Budget included estimated outlays of \$1,637,500 in 1975 and \$4,900,000 in 1976 against the amount being withheld. The deferral will merely shift the \$1,637,500 from the first to the second half of 1975.

D75-105 \_\_

DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, New budget authority \$ 1,900,000 Education, and Welfare (P.L. 93-448) Bureau Office of Other budgetary resources Education Appropriation Title & Symbol Total Budgetary Resources 1,900,000 Elementary and Secondary Education - 7550279 Amount to be deferred 1,900,000 part of year (Nutrition and Health) Amount to be deferred for entire year

#### Justification:

The 1975 President's Budget proposed an amount of \$1,900,000 for demonstration projects in school nutrition and health services. House action on the supplemental appropriation bill would eliminate the program. The Senate Committee has recommended restoring the program to the \$1,900,000 requested level.

Even though the extended Continuing Resolution technically authorizes maintaining the program at the \$1,900,000 level, it appears that the most judicious course of action during the second quarter is to hold the program in abeyance. This will preserve the flexibility of the Congress and the Administration in arriving at a final decision on the level at which this program should be continued. The deferred funds are not available beyond fiscal year 1975.

### Estimated Effects:

This deferral will have little or no programmatic effect since the funds This deferral will have unation of 85 existing projects whose renewals would support the continuation of 85 existing projects whose renewals would support the tollets. Therefore, these awards can be delayed beyond fall due at a later time. Therefore, effect The Provide Research to the Research to t fall due at a later time. The defauts can be delayed beyond the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President's 1975 Budget the second quarter without adverse effect. The President second quarter w included estimated in 1976, included estimated in 1976, The deferral will merely shift and \$400,000 from the first to the second balf of 1977. and \$400,000 from the first to the second half of 1975.

### DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Health, Education, and Welfare Bureau Office of the Secretary	New budget authority (P.L. 92-448)	\$ 57,649,000
Appropriation Title & Symbol	Other budgetary resources	-
Departmental Management 7550120	Total Budgetary Resources	57,649,000
	Amount to be deferred part of year	1,902,000
	Amount to be deferred for entire year	

#### **Justification**

For FY 1975, \$118,769,000 (excluding trust fund transfers) was requested for this appropriation. The House allowance was \$114,800,000 and the Senate allowance was \$99,593,000 in the Labor - HEW Appropriation bill.

The "Amount to be deferred part of the year" represents the second quarter portion of our best estimate of Congressional reduction in the FY 1975 appropriation request. This deferral will preserve flexibility of Congress and the Administration in arriving at a final decision on this appropriation.

The deferred funds are not available beyond fiscal year 1975.

Total 1975 Outlays	dollars in millions
1975 Budget (February transmittal)	121
With colored (current estimate)	121
With deferral (revised estimate)	120
(Effect of action on 1976 outlays	1)

#### Estimated Effects

Of the total \$1,902,000 deferral through the 2nd quarter \$502,000 will be in salaries and expenses activities. This deferral will result in a reduction primarily in temporary and part-time employment, travel, and equipment purchases. This will result in a decrease of \$812,000 in outlays in FY 1975.

The balance of the deferral, or \$1,000,000 will be in the Policy Research program. This will result in the deferral in FY 1975 of the planned funding of certain grants and contracts until FY 1976. This will result in a decrease of \$500,000 in outlays

Deferral	No	:	D75-107	
Dererrur	1100	-		

### DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Housing and Urban Development	New budget authority	\$_	100,000,000
Aureau Community Planning and Development	(P.L. 93-414 ) Other budgetary resources	-	293,856
Appropriation Title & Symbol	Total Budgetary Resources	-	100,293,856
Comprehensive Planning Grants 86X0104	Amount to be deferred part of year	_	
	Amount to be deferred for entire year	-	50,000,000

### Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action

Section 701 of the Housing Act of 1954, as amended, authorizes grants (normally twothirds) to support State and local programs financing comprehensive planning and management programs concerned with urban and rural development. Deferral of \$50 million out of amounts appropriated is proposed. This action is recommended in order to help reduce Federal expenditures and to help curb inflation. This action would result in a new savings in FY 1975 outlays of \$10 million.

The funds proposed for deferral will be used to reduce the appropriation needed to finance the 1976 commitment level.

The proposed deferral would reduce the level of assistance to 701 recipients to about two-thirds of the 1974 level. This amount would allow HUD to continue support for high two-thirds of the 1974 level. This amount would allow how to continue support for high priority planning and management activities at the State and local level. The proposed priority planning and management according appropriations available for commitment. deferral would leave \$50 million from FY 1975 appropriations available for commitment. deferral would leave \$50 million from FT 1975 appropriations available for commitment. Since this program uses an advance funding arrangement, FY 1975 programs are financed, in part, with funds committed in FY 1974. Therefore, there will be some time to adjust in part, with funds committed in FY 1974. The total outlay savings will be \$50 work programs to the reduced funding level. The total outlay savings will be \$50 willion in 1975 and \$40 million in 1976. million, \$10 million in 1975 and \$40 million in 1976.

- 1075 Outlavs \$	in Millions
Total 1975 Outlays 5  1975 Budget Without Deferral	118 120 110
Effect on 1976 Outlays	-40

Deferral	No.:		D75-108	
Deren		- manual		

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Housing and Urban Development	New budget authority	\$_	65,000,000
Bureau Policy Development and Research	(P.L. 93-414 ) Other budgetary resources		506,665
Appropriation Title & Symbol	Total Budgetary Resources	_	65,506,665
Research and Technology 864/50108-865/60108	Amount to be deferred part of year	2 10	A 177 FA
	Amount to be deferred for entire year	•	8,000,000

### Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Research and Technology contracts and grants are authorized by Title V of the Housing and Urban Development Act of 1970, as amended. The funds appropriated pursuant to this authority support programs of research, studies, testing and demonstrations relating to the mission and the programs of the Department. The funds proposed to be deferred are available for 2 years by the terms of the Appropriations Act, and would be available for use in FY 1976.

### Estimated Effects

The proposed action would allow the Department to continue priority research activities, but would not allow for the expansion of research activities in FY 1975. This action would result in an estimated savings in 1975 outlays of \$8 million.

Total 1975 Outlays	\$ in Millions
1975 Budget (February transmittal)	67
Without Deferral (current estimate)	64
With Deferral (revised estimate)	<u>56</u>
Effect on 1976 Outlays	

### DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

New budget authority (P.L. 03-406 ) Other budgetary resources	\$ 330,000,000
Total Budgetary Resources	364,202,641
Amount to be deferred part of year	0
Amount to be deferred for entire year	20,000,000* 1/
	Other budgetary resources  Total Budgetary Resources  Amount to be deferred part of year  Amount to be deferred

### Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action

The Land and Water Conservation Fund Act (16 U.S.C. 460 1) provides funds for grants to States and for the National Park Service, Fish and Wildlife Service, Forest Service, and Bureau of Land Management to purchase lands for specifically authorized national parks, national recreation areas, wild and scenic rivers, national trails, etc. Also, parks, national recreation areas wild and scenic rivers national trails, etc. Also, funds from this source may be utilized under such general authorities as preservation of endangered species habitat or acquisition of national forest inholdings.

To effect an outlay saving, \$20,000,000 of Federal land acquisition funds will be deferred until 1976. The \$20,000,000 proposed for deferred was made available withdeferred until 1976. The \$20,000,000 proposed for deferred was made available with-out regard to fiscal year limitation in the Department of Interior and Related Agencies Appropriation Act of 1975 (P.L. 93-404).

The Land and Water Conservation Fund Act also provides for a program of grants-in-aid The Land and Water Conservation and development of recreation lands and facilities. Grants to States for acquisition and development of matching funds hears. to States for acquisition and development of recreation lands and facilities. Grants are approved for the States on a 50-50 matching funds bests. The grant system is are approved for the States on work performed or for projects completed. While operated on a reimbursable basis for work performed or for projects completed. While operated on a reimbursable basis for work performed or for projects completed. While operated on a reimbursable basis for more year, thereby showing up as an obligation, the a State project may be approved in one year, thereby showing up as an obligation, the a State project may be apply the project may be 1-3 or more years. The State may not time for actually completing the project may be 1-3 or more years. The State may not time for actually completed way not request reimbursement for several years and, therefore, outlays related to the initial request reimbursement for several years hence. request reimbulse not occur for several years hence, obligation may not occur for several years hence.

An additional \$10,000,000 outlay saving is anticipated due to delays in requests for An additional from the States. This delay of outlays will have no effect on the State reimbursement program and will require no deferral of funda reimbursement program and will require no deferral of funds.

\*30,000,000 of contract authority has been reserved for contingencies under the Antipeficiency Act, as previously reported in D75-55.

1/Obligations and outlays. 2/Outlays only.

### Estimated Effects:

Total 1975 outlays	Dollars in Millions
1975 Budget (February transmittal)	256
including congressional action)	286
With deferral	266
With deferral and administrative slippage (rev. est.)	256
(Effects of action on 1976 outlays	+30)

As virtually all of the Federal land purchases made are on an opportunity (willing seller) basis, deferral of the funds may result in the Federal agencies passing up opportunities at this time. However, the deferral will have no serious programmatic implication; program goals can still be achieved.

Slippage of \$10,000,000 of State outlays will have no effect on the State obligational program for the reasons cited above.

Neither the deferral nor the administrative action will have any effect on Federal or non-Federal employment.

## Summary of FY 1975 AEC Budget Deferrals (\$M)

	Outlays
1975 Budget	3,013.7
Without deferral (current estimate	2,997.6
Deferrals:	
Operating Expenses Appropriation*	(27.0)
research and development	6.0
Gas-cooled reactor research and development	5.0
Physical research	2.0
Controlled Thermonuclear Research (CTR)	6.0
Biomedical and environmental research	3.0
Laser fusion research	2.0
Plant and Capital Equipment Appropriation	(53.0)
High Energy Laser Facility	1.0
Cascade Improvement Program and Cascade	
Uprating Program	9.0
oprating Program	1.0
Atmospheric Pollution Control Facility	2.2
Fire and safety project	6.0
Fast Flux Test Facility (FFTF)	
Molten Salt Breeder Reactor (MSBR)	1.5
demonstration plant (preliminary planning)	
High Temperature Gas-cooled Reactor fuel cycle facilities	6.9
cycle facilities	
Capital equipment for CTR and other clv.llan	
reactor research	9.0
Other capital equipment	16.4
Total AEC	80.0
With deferral (revised estimate) 2	,917.6

<sup>\*</sup> Some portion or all of the funds to be deferred may be identified at a later date for reprogramming to implement the Energy Reorganization Act of 1974.

Deferral No.: \_ D75-110 \_\_\_\_

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency U. S. Atomic Energy Commissi	New budget authority (P.L. 93-393)	\$ 3,229,325,000
Bureau	(P.L. 93-393) Other budgetary resources	54,867,407
Appropriation Title & Symbol	Total Budgetary Resources	3,284,192,407
Operating Expenses 89X0101	Amount to be deferred part of year	
(Weapons Program)	Amount to be deferred for entire year	4,000,000*

### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

### Estimated Effects:

### Weapons Program, Weapons Activities (Production and Surveillance)

A deferral of \$4.0 million will stretch-out some new occupational Safety and Health Act (OSHA) and fire and safety improvements within the production complex. Since this requires deferral of several plant improvement projects, only the highest risk conditions will be immediately corrected with others deferred for correction until FY 1976.

Total 1975 Outlays	Dolla	Dollars in Millions	
1975 Budgét (February transmittal)	\$	3013.7	
estimate)		2997.6	
estimate)		2994.6	
(Effect of action on 1976 outlays)	\$	0	

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

S. Atomic Energy Commission	New budget authority	\$ 3,229,325,000
Bureau	(P.L. 93-393) Other budgetary resources	54,867,407
Appropriation Title & Symbol	Total Budgetary Resources	3,284,192,407
Operating Expenses 89X0101	Amount to be deferred part of year	
(Civilian Reactor Research and Development)	Amount to be deferred for entire year	8,000,000*

### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Estimated Effects: Civilian Reactor Research and Development Operating Expenses
The deferral of \$8.0 million of budget authority will stretch-out
development of some systems and components for the Clinck River Breeder
development of some systems and components for the Clinck River Breeder
development of some systems and components for the Clinck River Breeder
Reactor demonstration project. This will result in a delay in the
pace of the project which has the objective of demonstrating Liquid
Metal Fast Breeder Reactor technology. However, essential design and
long-lead component development will be continued.

and outland	Dolla	ars in Millions	
Total 1975 Outlays  1975 Budget (February Transmittal) Without deferral (current estimate) With deferral (revised estimate)	\$	3013.7 2997.6 2991.6	
(Effect of action on 1976 outlays)	\$	0	

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency U. S. Atomic Energy Commission	New budget authority	\$ 3,229,325,000
Bureau	New budget authority (P.L. 93-393) Other budgetary resources	54,867,407
Appropriation Title & Symbol	Total Budgetary Resources	3,284,192,407
Operating Expenses 89X0101 (Civilian Reactor	Amount to be deferred part of year	
Research and Development)	Amount to be deferred for entire year	6,700,0001

#### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Estimated Effects: Civilian Reactor Research and Development - Operating Expenses

Deferral of \$6.7 million of budget authority will reduce efforts on developing a direct cycle gas turbine to be used in conjunction with high temperature gas cooled reactors and delay research and development on experimental fuels, materials, and safety activities for the gas cooled fast breeder reactor.

Total 1975 Outlays	Doll	ars in Million	ns
1975 Budget (February transmittal) Without deferral (current estimate) With deferral (revised estimate)	\$	3013.7 2997.6 2992.6	
(Effect of action on 1976 outlays)	S	0	

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency S. Atomic Energy Commission	New budget authority (P.L. 93-393 )	\$ 3,229,325,000
Appropriation Title & Symbol	Other budgetary resources	54,867,407
Appropriation little a Symbol	Total Budgetary Resources	3,284,192,407
Operating Expenses 89x0101	Amount to be deferred part of year	
(Physical Research)	Amount to be deferred for entire year	2,700,000*

### Justification:

U

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

### Estimated Effects:

This deferral in the Physical Research program will stretch-out some on-going research projects and defer some new research activities in molecular sciences and materials sciences planned for FY 1975. This will delay research which supports long-term energy development programs. However, a substantial increase over FY 1974 funding levels will still be allowed for energy-related research.

Total 1975 Outlays	Dolla	rs in Million	ns
1975 Budget (February transmittal)	\$	3013.7 2997.6 2995.6	
(Effect of action on 1976 outlays)	\$	0 -	

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency S. Atomic Energy Commission	New budget authority	\$ 3,229,325,000
Bureau	New budget authority (P.L. 93-393) Other budgetary resources	54,867,407
Appropriation Title & Symbol	Total Budgetary Resources	3,284,192,407
Operating Expenses 89X0101	Amount to be deferred part of year	
(Controlled Thermonuclear Research)	Amount to be deferred for entire year	8,000,000*

### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

### Estimated Effects:

The deferral in the Controlled Thermonuclear Research program will reduce somewhat the planned acceleration of research on tokamak impurity control, stretch-out experiments with theta pinch devices, and defer some new activities in CTR technology development and exploratory research. This may result in some delay in the next generation of experiments.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal)	\$ 3013.7 2997.6 2991.6
(Effect of action on 1976 outlays)	\$ 0

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-364

Agency United States _Atomic Energy Commission	New budget authority	\$ 3,229,325,000
Bureau	(P.L. ) Other budgetary resources	54,867,407
Appropriation Title & Symbol Operating Expenses 89x0101	Total Budgetary Resources	3,284,192,407
(Biomedical and Environ- mental Research & Safety)	Amount to be deferred part of year	
-000 C	Amount to be deferred for entire year	4,000,000*

### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

### Estimated Effects:

This deferral in the Biomedical and Environmental Research and Safety program will be applied to AEC's portion of the Artificial Heart program, resulting in a close-out of AEC's effort to develop a nuclear power source for an artificial heart. Similar research and development by HEW will be continued.

Total 1975 Outlays:	Dollars in Millions
1975 Budget (February transmittal)	277733
With deferration on 1976 outlays)	0

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

New budget authority	\$ 3,229,325,000
Other budgetary resources	54,867,407
Total Budgetary Resources	3,284,192,407
Amount to be deferred part of year	2,000,000
Amount to be deferred for entire year	2,700,000*
	Other budgetary resources  Total Budgetary Resources  Amount to be deferred part of year  Amount to be deferred

#### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

#### Estimated Effects:

Weapons Program - Laser-Fusion Operating - The deferral of \$2.7 million will delay the initiation of some new contracts with outside industrial and research organizations and educational institutions as well as reduce the FY 1975 in-house effort directed toward this long-range program. This may result in delay in achievement of near-term goals in laser and target development.

Weapons Program - Laser Fusion Plant and Capital Equipment (Project 75-3-b, High Energy Laser Facility, Los Alamos Scientific Laboratory) The deferral of \$2.0 million against this project will delay the start of the project. This slippage will probably delay the demonstration of the scientific feasibility of laser fusion.

\* Some portion or all of the funds to be deferred may be identified at a later date for reprogramming to implement the Energy Reorganization Act of 1974.

### Total 1975 Outlays:

	Dollars in Millions
1975 Budget (February transmittal)	2 997 6
(Effect of action on 1976 outlays)	0

DEFERRAL OF BUNGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency S. Atomic Energy Commission	New budget authority	\$ 3,229,325,000
Bureau	New budget authority (P.L. 93-393) Other budgetary resources	54,867,407
Appropriation Title & Symbol  Plant and Capital Equipment	Total Budgetary Resources	3,284,192,407
89X0103 (Nuclear Materials)	Amount to be deferred part of year	12,000,000
	Amount to be deferred for entire year	

### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Estimated Effects: Nuclear Materials Program - Project 74-1-g, Cascade uprating program, gaseous diffusion plants and Project 71-1-f, Process equipment modifications, gaseous diffusion plants. The deferral of \$12 million in Projects 71-1-f and 74-1-g for our Cascade Improvement and Cascade Uprating Programs (CIP/CUP) would result in a one year delay in uprating electrical switchyards at the three gaseous diffusion plants. This will result in a one time loss of 500 metric tons of separative work.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal)	\$ 3013.7 2997.6 2988.6
(Effect of action on 1976 outlays)	+9.0

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency U. 1. Atomic Energy Commission Pureau	New budget authority (P.L. 93-393) Other budgetary resources	\$ 3,220,325,000
Appropriation Title & Symbol  Plant and Capital Equipment	Total Budgetary Resources	3,284,192,407
89X0103 (Nuclear Materials)	Amount to be deferred part of year	12,000,000
	Amount to be deferred for entire year	

#### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding wil<sup>1</sup> be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Estimated Effects: Nuclear Materials Program - Project 75-1-f, Atmospheric pollution control facility, Savannah River, South Carolina Deferral of \$7.0 million in 1975 budget authority will delay be one year compliance with South Carolina state standards for particulate emissions.

Weapons Program - Project 71-9, Fire, safety and adequacy of operating conditions projects, various locations. The \$5.0 million deferral for this project will result in some possible slippage in the final completion date. Some planned corrections to fire and safety profile will not be achieved for the period of deferral. The deferral refinerease the total cost of the project, which is now scheduled for completion in the late 1970s.

Total 1975 Outlays	Dolla	rs in Mill:	1
1975 Budcet (February transmittal) Without deferral (current estimate) With deferral (revised estimate)	\$	3013.7 2997.6 2994.4	
(Effect of action on 1976 outlays)		+3.2	

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency C. S. Atomic Energy Commission	New budget authority	\$ 3,229,325,000
Bureau	New budget authority (P.L. 93-393) Other budgetary resources	54,867,407
Appropriation Title & Symbol  Plant and Capital Equipment	Total Budgetary Resources	3,284,192,407
89x0103 (Civilian Reactor	Amount to be deferred part of year	10,000,000
Research and Development)	Amount to be deferred for entire year	

### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these by the President to restrain the restraints are being proposed after congressional action affecting restraints are being proposed after congressional action will be delayed most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Estimated Effects: Civilian Reactor Research and Development - Plant & Capital Equipment
The deferral of \$10.0 million of budget authority will constrain
The deferral of \$10.0 million of the Fast Flux Test Facility
FY 1975 funding for the construction of the Fast Flux Test Facility
Which may delay the availability of this facility. Until the FFTF
which may delay the availability of this facility. Until the FFTF
which may delay the availability of this facility. Until the FFTF
which may delay the availability of this facility. Until the FFTF
which may delay the Jack Test Research
is completed, the U.S. will have to continue to rely upon the
Experimental Breeder Reactor II (EBR II) for data on the performance
of fuels in a Liquid Metal Fast Breeder Reactor. Since the EBR II
does not possess the testing capabilities of the FFTF, a significant
further delay in the completion of the FFTF would be undesirable
for the LMFBR program. However, any delay resulting from this
deferral action would be relatively brief.

outland	Dolla	rs in Millions
Total 1975 Outlays  1975 Budget (February transmittal) Without deferral (current estimate) With deferral (revised estimate)	\$	3013.7 2997.6 2991.6
With deferrat (Effect of action on 1976 outlays		+6.0

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

U. Agency S. Atomic Energy Commission	New budget authority	\$ 3,229,325,000
Bureau	(P.L. 93-393)	3 3,223,000
Appropriation Title & Symbol	Other budgetary resources	54,867,407
Plant and Capital Equipment	Total Budgetary Resources	3,284,192,407
89X0103 (Civilian Reactor	Amount to be deferred part of year	The state of the s
Research and Development)		
	Amount to be deferred for entire year	1,500,000

### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Estimated Effects: Civilian Reactor Research and Development - Plant Capital Equipment

Deferral of \$1.5 million of budget authority will reduce support of the Molter Salt Breeder Reactor program. Ongoing Molten Salt Breeder Reactor program technology development efforts will continue to resolve important technical problems of this reactor concept. The deferral will delay initiation of preliminary planning for a possi e future Molten Salt Breeder Reactor demonstration project.

Total 1975 Outlays	Dollars i. Million
1975 Budget (February transmittal)	\$ 3013.7 2997.6 2996.1
(Effect of action on 1976 outlays)	+1.5

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

J. S. Atomic Energy Commission	New budget authority (P.L. 93-393 )	\$ 3,229,325,000
Bureau	Other budgetary resources	54,867,407
Appropriation Title & Symbol Plant and Capital Equipment	Total Budgetary Resources	3,284,192,407
89X0103	Amount to be deferred part of year	12,100,000
(Civilian Reactor Research and Development)	Amount to be deferred for entire year	

### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Estimated Effects: Civilian Reactor Research and Development - Plant & Capital Equipment

Deferral of \$12.1 million of budget authority for high temperature gas reactor pilot plant reprocessing and refabrication facilities will result in some delay for these facilities which will be needed to demonstrate fuel recycle technology for commercial high temperature gas cooled reactors.

The two projects will require much more complex processes and systems then had been conceived earlier. AEC will proceed with project design to permit resolution of technical uncertainties and improved cost estimates.

Total 1975 Outlays	Dollars in Millions
1975 Budget (Pebruary transmittal)	\$ 3013.7 2997.6 2990.7
(Effect of action on 1976 outlays)	+6.9

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

U. S. Atomic Energy Commission	New budget authority	\$ 3,229,325,000
Bureau	(P.L. 93-393 )	\$ 3,223,323,000
Appropriation Title & Symbol	Other budgetary resources	54,867,407
appropriation little & Symbol		2 204 100
Plant and Capital Equipment 89x0103	Total Budgetary Resources	3,284,192,407
	Amount to be deferred	12 000 000
(Civilian Reactor Research	part of year	13,000,000
and Development and Con- trolled Thermonuclear Research)	Amount to be deferred for entire year	

#### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Estimated Effects: Civilian Reactor Research and Development & Controlled Thermonuclear Research - Plant and Capital Equipment

The deferral of \$13.0 million of budget authority will result in a delay until FY 1976 of acquisition of new computer capability in the Controlled Thermonuclear Research program (\$11.0 million). In addition, it will reduce equipment procurements for civilian reactor research activities (\$2.0 million). This will result in a delay until FY 1976 of the acquisition of a scientific computer dedicated to the fusion program, which is expected to improve the design of next generation experiments and the understanding of plasma behavior.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal) Without deferral (current estimate) With deferral (revised estimate)	\$ 3013.7 2997.6 2988.6
(Effect of action on 1976 outlays)	+9 0

Deferral No.:

D75-123

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency S. Atomic Energy Commission	New budget authority (P.L. 93-393)	\$ 3,229,325,000
Bureau	Other budgetary resources	54,867,407
Appropriation Title & Symbol	Total Budgetary Resources	3,284,192,407
89X0103	Amount to be deferred part of year	13,900,000
(Other Capital Equipment)	Amount to be deferred for entire year	

### Justification:

Deferral of no-year funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

### Estimated Effects:

Other Capital Equipment - Computers - The deferral of computer fundational \$9.5 million will delay additional computer capability for Nuclear Materials (\$2.3 million), Weapons (\$6 million), Physical Research (0.7 million) and Biomedical and Environmental Research (0.5 million). Consequences will include some delays in a) improvement of nuclear materials production processes at the Savannah Piver plant and b) installation of additional computational capability for the weapons program at Sandia Laboratory.

Other Capital Equipment - General - Deferrals totaling \$4.4 million in general equipment will: 1) delay procurement of a \$1.0 million electron microscope in the Physical Research program (deferring a program which will simulate neutron damage to reactor materials); 2) delay a \$2.4 million procurement of two currently leas 1 airplanes in the Weapons program (increasing cost of later procurement by about 10%); and 3) delay procurements totaling \$1.0 million in the Nuclear Materials program for replacement of reactor and plant support equipment (increasing risk of plant down-time as a result of equipment failures).

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal)	\$ 3013.7 2997.6 2981.2
(Effect of action on 1976 outlays)	+16.4

Deferral No.:

D75-124

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

New budget authority	\$ 109,600,000
(P.L. 93-414 ) Other budgetary resources	
Total Budgetary Resources (See coverage below)	\$ 109,600,000
Amount to be deferred	
part of year	
Amount to be deferred for entire year	20,000,000
	(P.L. 93-414 ) Other budgetary resources  Total Budgetary Resources (See coverage below)  Amount to be deferred part of year  Amount to be deferred

### Justification:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

This action would defer \$20 million in FY 1975 obligations planned for the U.S./U.S.S.R. docking mission scheduled for launch in July 1975. Funds provided for this activity remain available until expended. Rephasing of funding is possible in this program because of excellent progress to date in preparing for the mission.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal)	117
estimate)	117
estimate)	98
(Effect of action on 1976 outlays	)

This deferral is not expected to adversely affect the launch schedule for the mission. However, the amount of contingency available to handle unforeseen technical problems would be reduced. This mission is an important cooperative project with the Soviets and is expected to contribute to improved understanding and cooperation between the U.S. and the U.S.S.R.

Deferral No. :

D75-125

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency National Aeronautics and Space Administration Bureau	New budget authority (P.L. 93-414 ) Other budgetary resources	\$ 65,700,000
Appropriation Title & Symbol Research and Development	Total Budgetary Resources (See coverage below)	\$ 65,700,000
	Amount to be deferred part of year	-
27-00-0108-0-1-250	Amount to be deferred	
(Space science and applications)		\$ 16,000,000

### Justification:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these by the President to restrain to suffer congressional action affecting restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

This deferral of \$16,000,000 of no year funds would delay the rate of buildup for several new NASA science and application flight projects including Pioneer-Venus, a scientific mission; SEASAT-A, an ocean observation satellite; NIMBUS-G, a pollution monitoring satellite; observation satellite; and the Heat Capacity Mapping TIROS-N, an advanced weather satellite; and the Heat Capacity Mapping mission, a thermal sensing satellite.

### Estimated Effects:

Total 1975 Outlays	Dollars in Millions
1975 Budget (February	40
without delelial (carrent	40
With deferral (1000000000000000000000000000000000000	
(Effect of action on	)

The deferral of the rate of buildup on these projects could delay their launch dates by several months. These schedule slippages their not expected to have a significant programmatic impact.

#### DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency National Aeronautics and Space Administration	New budget authority	\$ 681,800,000
Bureau	(P.L. 93-414 ) Other budgetary resources	
Appropriation Title & Symbol	Television of the second of th	
Research and Development	Total Budgetary Resources	\$ 681,800,000
27-00-0108-0-1-250	Amount to be deferred part of year	
(Aeronautical research and space supporting activities)	Amount to be deferred for entire year	36,000,000

### Justification:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit congressional review of the action contemplated.

Funds provided in this account remain available until expended. This deferral would delay FY 1975 obligations in several of NASA's program support elements. The affected areas would include research and technology related to advanced systems for space exploration and aeronautics, analysis of data in the space science program, and the maintenance and upgrading of equipment for the tracking and data acquisition program.

### Estimated Effects:

Total 1975 Outlays	Dol	lars in Mill	ions
Without deferral (current		678	
estimate)		678	
estimate)		643	
(Effect of action on 1976 outlays		)	

These deferrals would affect a wide range of NASA's supporting activities planned for FY 1975, but would not have a major schedule impact on specific project milestones.

# DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency National Foundation on the Arts and the Humanities	New budget authority	\$159,600,000
Bureau N.A.	(P.L. 93-404) Other budgetary resources	24,930,930
Appropriation Title & Symbol National Foundation on the	Total Budgetary Resources	184,530,930
Arts and the Humanities - Salaries and Expenses	Amount to be deferred part of year	18,000,000
59 X 0100	Amount to be deferred for entire year	

### Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16,1974, to permit Congressional review of the action contemplated,

### Estimated Effects

This action would delay obligation of \$18M into the 2nd half of the fiscal year to insure an \$8 million outlay saving. The effect of this deferral will be a somewhat delayed beginning for some projects anticipated to be begun in FY 1975. There will be no increase in FY 1976 outlays.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal	
and May budget amendment)	\$164
Without reduction (Current estimate)	164
With reduction	156
Effect of action on 1976 outlays	-0-

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency National Science Foundation	New budget authority	\$ 661,500,000
Bureau	(P.L. 98-414)	
Appropriation Title & Symbol	Other budgetary resources	5,000,000
Salaries and Expenses	Total Budgetary Resources	666,500,000
495/60100	Amount to be deferred part of year	
	Amount to be deferred for entire year	15,000,000

#### Justification:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

This action would defer spending within the following NSF program categories:

National Research Centers (\$2.5M) for improvement of computer at National
Center for Atmospheric Research, selected purchases and schedule shifts
for the Very Large Array radioastronomy facility, deferral of purchases
at other Centers.

Research Applied to National Needs (\$3M) for Disaster and Natural Hazard Research including the areas of Earthquake Engineering and Fire Research. Science Education (\$4M) in selected areas, including problem assessment and educational program restructuring.

Institutional support for science (\$5.5M) for discretionary formula grants to colleges and universities.

#### Estimated Effects:

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal)	030
Without deferral (Current estimate)	625
With deferral (Revised estimate)	617
(Effect of action on 1976 outlays	

The specific deferrals were made selectively in lower priority activities where such deferrals would not unduly impede program development. The deferrals would have the effects in

- National Research Centers of delaying 1975 purchases and schedules, but not slipping project completion dates.
- Research Applied to National Needs of reducing level of support in 1975 but still maintaining a significant national effort in these longer range research areas.
- Science Education of reducing support in lower priority areas based on programmatic judgments but not impeding overall program development.
- Institutional Grants for Science of delaying the obligation of formula grants providing discretionary funds to colleges and universities.

Deferral No. :

D75-129 ---

## DEFERRAL OF BUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency National Science Foundation	New budget authority	\$ 101,800,000
Bureau	(P.L. 93-322 ) Other budgetary resources	625,000
Appropriation Title & Symbol Salaries and Expenses	Total Budgetary Resources	102,425,000
(Special Energy R & D Appropriation Act, 1975)	Amount to be deferred part of year	
49 x 0100	Amount to be deferred for entire year	5,000,000

#### Justification:

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

This action would defer until 1976 the spending of \$5 million in budget authority from the NSF solar and geothermal research programs.

#### Estimated Effects:

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal)	45
Without deferral (current estimate)	45
With deferral (revised estimate)	43
(Effect of action on 1976 outlays	)

The 1975 program of solar and geothermal energy research--after the deferral of \$5 million in budget authority--will still increase over 250% above the 1974 level. The remaining program funds in NSF (\$67 million in budget authority) will allow for

- a vigorous research program in NSF
- the implementation of recently passed legislation on solar and geothermal energy development and demonstration, and
- the successful 1975 transfer of lead agency responsibility for solar and geothermal energy R & D to the new Energy Research and Development Administration from the NSF

Deferral No. :

D75-130

### DEFERRAL OF SUDGET AUTHORITY Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Small Business Administration	New budget authority	\$ 327,500,000
Bureau	(P.L. 93-433 ) Other budgetary resources	78,696,721
Appropriation Title & Symbol	Total Budgetary Resources	406,196,721
Business Loan & Investment Fund 73X4154	Amount to be deferred part of year	
	Amount to be deferred for entire year	36,000,000

#### Justification

This withholding of funds is one of several special actions proposed by the President to restrain 1975 budget outlays. Since these restraints are being proposed after Congressional action affecting most 1975 funds has been completed, this withholding will be delayed until December 16, 1974, to permit Congressional review of the action contemplated.

The SBA's Business Loan and Investment Fund is used to provide direct loans to small tusinesses, and to meet Government obligations arising from the SBA guarantee of loans by private financial institutions to small businesses. Outlays for direct loans occur when SBA provides direct loan funding, so these outlays are controllable by the agency. Outlays to meet commitments of SBA guarantees result from the failure of loan recipients to meet the requirements of the loan agreement, which results in a demand upon SBA to honor its guarantee.

It is proposed to defer the use of \$36 million in budget authority which otherwise would be available for direct loans in 1975. A total of \$199 million would remain available be available for direct loans, and available funds will permit SBA to guarantee up to \$2,094.5 million in loans made to small businesses. These funds are available without regard to fiscal year limitation.

### Estimated Effects

The deferral will result in about 518 fewer loans to small businesses in 1975, or about The deferral would be possible without the deferral. This action would affect less 2.1% less than would affect less than 0.01% of the small businesses in the country. The reduction will be made in those than U.U. of the made in those program areas where there is the best chance that the small businesses will be able to program areas where the sources. Even after this reduction, SBA expects to provide obtain financing from other sources. direct loans or guarantee loans for over 23,700 small businesses in 1975.

Total 1975 Outlays	Dollars in Millions
1975 Budget (February transmittal)	\$471
Without deferral (Current estimate)	420
With deferral (revised estimate)	398
(Effect of action on 1976 outlays	-14)

### Just Released

### CODE OF FEDERAL REGULATIONS

(Revised as of July 1, 1974)

Title 29-	-Labor (Part 1900-End)	\$9. 9	Ю
General	Index	3.0	)5

[A Cumulative checklist of CFR issuances for 1974 appears in the first issue of the Federal Register each month under Title 1]

Order from Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402

### DEPARTMENT OF THE TREASURY

Office of the Secretary

ENVIRONMENTAL IMPACT STATEMENTS

Proposed Procedures for Preparation and Coordination

On July 30, 1971, the Department of the Treasury issued Procedures for Preparation and Coordination of Environmental Impact Statements (36 FR 14221) under section 102(2)(C) of the National Environmental Policy Act (NEPA) (42 U.S.C., section 4332(2)(C)) pursuant to guidelines established by the Council on Environmental Quality on April 23, 1971 (36 FR 7724-9).

It is now proposed, as required by \$1500.3(a) of the amended guidelines promulgated by the Council on August 1, 1973 (38 FR 20550), to issue revised procedures, as set forth below. Comments on the proposed procedures are invited. Any such comments should be sent in duplicate to the Assistant Secretary for Administration, Department of the Treasury, Washington, D.C. 20220, on or before March 29, 1974.

After consideration of all comments received, the Department will make any revisions which appear appropriate and will publish the resultant definitive procedures in the Federal Register.

WARREN F. BRECHT,
Assistant Secretary
for Administration.

FEBRUARY 4, 1974.

The Departmental Procedures for Preparation and Coordination of Environmental Impact Statements under section 102(2)(C) of the National Environmental Policy Act of 1969, which were issued on July 30, 1971 (36 FR 14221), are amended as follows:

Authority. The following procedures are established, after consultation with the Council on Environmental Quality, in accordance with the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969, Public Law 91-190 (42 U.S.C. 4332(2)(C)), hereinafter referred to as NEPA; section 2 of Executive Order 11514 (42 U.S.C. 4321 note); and § 1500.3 of the Guidelines for Preparation of Environmental Impact Statements promulgated by the Council on Environmental Quality, 40 CFR, Part -1500 (38 FR 20550), hereby incorporated by reference and hereafter referred to as the CEQ Guidelines. Since these procedures constitute a general statement of policy, notice and public procedure under 5 U.S.C. 553 are unnecessary.

Scope. These procedures apply to the recognition of the need for environmental impact statements with respect to proposals for legislation and other major actions significantly affecting the quality of the human environment, to the preparation of such statements, and to their circulation and review within and outside the Department of the Treasury. The procedures also provide for appropriate action with respect to environmental impact statements submitted to the De-

partment for comment. All bureaus, offices, and other components of the Department, hereafter referred to as bureaus, are required to follow these procedures in dealing with environmental impact statements. These procedures are to be applied in the light of the definitions and instructions in the CEQ Guidelines. They relate to all steps in the preparation and circulation of environmental impact statements occurring subsequent to \_\_\_\_\_, 1974. After that date, the procedures published in 36 FR 14221 are superseded without affecting the sufficiency of any action taken previously.

Content. These procedures provide for:
(a) Designation of the officials responsible for environmental impact statements.

- (b) Identification of the proposed actions within the Department requiring environmental impact statements, the pertinent departmental review process, and the time scheduling for consultations required by section 102(2)(C) of NEPA.
- (c) Obtaining of the information required in the preparation of environmental impact statements.
- (d) Consultation with and taking account of the comments of appropriate Federal, State, and local agencies, including the Administrator of the Environmental Protection Agency as to the environmental impact of matters under section 309 of the Clean Air Act, as amended (42 U.S.C. 1857h-7), and § 1500.9(b) of the CEQ Guidelines.
- (e) Making suitable arrangements as required by section 2(b) of Executive Order 11514 and § 1500.6(e) of the CEQ Guidelines, for timely public information on departmental plans and programs with environmental impact, including procedures relating to (i) the use of environmental impact statements in departmental policy and action review processes, (ii) the appropriate distribution of environmental impact statements, and (iii) the availability to the public of environmental impact statements and comments received thereon.

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  12 Treasury comments on statements of other agencies.
- Designation of responsible officials.
   There shall be in the Office of the Secretary a Departmental Environmen-

tal Quality Officer (EQO), designated by the Secretary, who shall (i) be the linison official for the Department with the Council on Environmental Quality, the Environmental Protection Agency, and other departments and agencies concerning environmental matters, (ii) insure that the actions of the bureaus with respect to the fulfillment of NEPA are duly coordinated, (iii) provide guidance to bureaus on environmental policy and requirements, (iv) assist bureaus in reviewing and assessing the environmental impact of proposed Treasury actions, (v) provide guidance in the preparation and processing of environmental impact statements, (vi) receive for clearance action all environmental impact statements, draft and final, originating in the Department, (vii) receive all environmental impact statements submitted by other agencies to the Department and coordinate the appropriate review and reply, (viii) perform such other functions as are specified in these procedures or are appropriate under the CEQ Guidelines or other instructions or recommendations of CEQ.

(b) Responsibility for the preparation and appropriate circulation of environmental impact statements shall rest with the head of the bureau with jurisdiction over the action or policy area in question.

(c) Each bureau is directed to designate a Bureau Environmental Quality Officer (EQO), and alternate, with continuing staff responsibility for (i) identifying bureau actions requiring an environmental impact statement; (ii) making sure that each required statement is prepared timely and with the prescribed content by appropriate staff members; (iii) ensuring the bureau's compliance with the requirements of NEPA, the CEQ Guidelines, and these Departmental procedures, in particular by coordinating the review within the bureau of such statements, and (iv) maintaining compliance with all applicable scheduling, consultation, circulation, and publicity requirements. The Bureau EQO will also be expected to maintain effective communication and consultation with the Departmental EQO and to keep key officials in his bureau informed of current developments in environmental policy and program, particularly under NEPA.

The fulfillment of these duties will require constant and active attention by the Environmental Quality Officer to all operations of his bureau to insure that the possible applicability of NEPA is timely taken into account in all relevant cases and that, if an impact statement may be needed, the requirements of the Act, the CEQ Guidelines, these procedures, and any other instructions of the Department and the supplemental procedures, if any, issued by the bureau are promptly and fully followed.

(d) Letters transmitting environmental impact statements to the CEQ (section 9(a), below), as well as any reports or other communications to the Council, shall be addressed to its Chairman and shall be signed by the Departmental EQO. Unless special circumstances indicate that a different officer should act,

communications announcing decisions to prepare environmental impact statements (section 2(e), below), requesting comments on draft statements (section 7, below), or transmitting final statements for the information of agencies or persons commenting on draft statements (section 9(c), below), shall also be signed by the Departmental EQO and, in the case of a Federal agency, shall be addressed to its Departmental Environmental Quality Officer or equivalent official. In addition to the above, all Departmental contacts with CEQ, EPA, and

nongovernmental organizations or individuals, on environmental matters\_shall he through or coordinated with the De-

partmental EOO. mental impact of actions concerning various areas of Treasury policy and operations specified below and the preparation of environmental impact statements relating thereto shall be coordinated, in consultation with the Departmental EQO, with the officer having primary responsibility as follows:

Officer with coordinating responsibility

Assistant Secretary for Administration,

Assistant Secretary for Tax Policy.

General Counsel.

Assistant Secretary for International Affairs. Special Assistant to the Deputy Secretary.

Action area

Administration of facilities, physical operations, procurement, contracts, leases, etc. Tax policy recommendations, legislation, and regulations.

Nontax legislative recommendations and reports.

International environmental matters\_\_\_\_\_ Energy and natural resource matters\_\_\_\_\_

(f) The heads of bureaus having operations which are affected by special considerations are hereby authorized to issue supplementary procedures consistent with these Departmental procedures for the implementation of NEPA. Any such procedures, or amendments thereof, issued after \_\_\_\_, 1974 shall be submitted for review and concurrence by the Departmental EQO, and any procedures in existence at such date shall, with similar review and concurrence, be revised in accordance with the CEQ Guidelines and these Departmental procedures. Such procedures, unless relating purely to the internal administration of the bureau, shall be published in the Federal Register.

(g) The Departmental EQO, and at his request, the respective bureau or bureaus, shall be responsive to requests from the CEQ for reports or other information in connection with the implementation of NEPA and for the preparation and circulation of environmental impact statements, as required by \$ 1500.11(f) of the Guidelines.

2. Identification of actions requiring environmental impact statements. (a) Each bureau shall insure that all employees with responsibility for actions potentially affecting the environment are informed of the requirements of this De-

partmental procedure. (b) Whenever it appears that any matter, including the continuance of any action or program already initiated, is likely to fall within the requirements of section 102(2)(C) of NEPA as constituting a proposal for legislation or other major Federal action significantly affecting the quality of the human environment, whether beneficially or adversely, the environmental implications are to be explored promptly and in all events prior to the decision to take or to continue the action (See CEQ Guidelines, §§ 1500.2 and 1500.7). In all such cases early notification shall be given by the responsible bureau official to the Bureau EQO, who shall obtain the views of the Departmental EQO, and a determination as to the potential environmental effects of the action and the consequent need or absence of need to submit an impact statement in connection with it shall be made by the bureau and, in the case of a negative determination in accordance with subsection (i), below, appropriately documented. If it appears appropriate in making such a determination, agencies outside the Department having expertise in matters involved should also be consulted. Agencies with special environmental expertise are listed in Appendix II of the CEQ Guidelines. Non-governmental organizations or individuals believed to have special knowledge should also be consulted when it appears appropriate. The appraisal provided for in this paragraph shall take place as early in the bureau's consideration of the proposed action as possible (Guidelines, § 1500.2

(c) A basic guide to the wide range of actions, including the establishment or continuance of programs, with respect to which an environmental impact statement may be appropriate and general criteria for determining which actions constitute major Federal actions and involve a significant impact on the environment are provided in § 1500.6 of the CEQ Guidelines. The underlying national environmental policy considerations are set forth in section 101 of NEPA and Executive Order 11514. It should be clearly understood that impact statements are not intended to be justification documents for proposed actions but are to be objective assessments of actions and their alternatives in the light of all reasonably pertinent environmental considerations (Guidelines, § 1500.7(a)).

(d) Because of the Department of the Treasury does not, in general, have responsibility for programs or activities under which each operation will normally affect the quality of the human environment, it is difficult to establish detailed criteria for determining what proposed actions within the Department should be the subject of an impact statement. For this reason, it is especially im-

other governmental agencies, or with portant that each bureau use constill judgment in determining when an environmental impact statement might be required pursuant to the criteria catab-Hished in NEPA and in the CEQ Guidelines, including the indications of types of environmental impact presented by the subject headings in Appendix II of the Guidelines. It should be noted tird, as set forth more fully in § 1500.5 of the CEQ Guidelines, actions on which a statement may be required include but are not limited to (i) recommendations or favorable reports relating to legislation, including requests for appropriations, (ii) new and continuing projects or program activities, including those supported in whole or in part through Federal contracts, grants, subsidies, loans, or other forms of funding assistance (except under such legislation as the State and Local Fiscal Assistance Act of 1972, 31 U.S.C. 1221 et seq.), (iii) the making or modification of regulations rules, procedures, and policy.

Examples of possible Treasury actions within the respective categories might be (1) proposals of legislation relating to taxation bearing on the utilization of natural resources or affecting the depreciation of structures, (2) major building projects under the sponsorship of the Department and (3) revenue rulings to be published under existing tax law relating to depreciation allowances or other actions which might affect natural resource development and consumption or rulings under the legislation relating to alcohol which might result in the utilization of new substances for packaging.

In order to facilitate compliance as far as possible with the requirements of § 1500.6(c) of the CEQ Guidelines that each agency shall develop specific criteria and methods for identifying those actions likely to require environmental statements, each bureau shall submit to the Departmental EQO on or before May 31, 1974 a list of the actions, if any, within its jurisdiction which it considers would normally require impact statements and a list of those which may require statements depending on the circumstances. Pursuant to § 1500.7(d) of the Guidelines, the lists should indicate any types of action which would appear to require public hearings as to environmental aspects.

In view of the nature of Treasury activities referred to above, no effort need be made to list actions which normally would not require statements, unless the bureau believes that there is some special reason to do so as to a particular category. Since legislative matters will be subject to Department-wide criteria, they may be omitted unless the bureau considers that there is some particular need to set forth types of legislation with which it is concerned.

(e) When a decision to prepare an environmental impact statement on a proposed administrative action is made, it shall promptly be announced in the Federal Register. The Departmental EQO will provide the Bureau EQO with

a sample of such an announcement. In possible extension of up to 15 days (see of such person is otherwise permissible addition, whenever an announcement is published, letters transmitting a copy shall be sent to each agency or person, public or private, believed to have a special interest in or knowledge of the matter (see CEQ Guidelines, § 1500.6(e)).

(f) The Departmental EQO shall cause to be maintained for public inspection a list of all matters in the Department as to which it has been decided to prepare an impact statement, shall consolidate the list quarterly, and as it is so revised, shall transmit it to the Council (see CEQ Guidelines; § 1500.6(e)).

(g) Each impact statement shall first be issued in draft, for comment by government agencies and the public as appropriate. A final statement responsive to comments received shall then be issued. The requirements for the preparation and circulation of the draft and final statements are indicated in sections 3-10 below.

(h) Whenever under the normal policies or procedures of a bureau a hearing would be held on a matter requiring the preparation of an environmental impact statement, the environmental aspects should be included in the hearing. In other cases the question of whether a hearing should be held with respect to an environmental matter shall be determined in accordance with the criteria set forth in § 1500.3(d) of the Guidelines. Normally, all hearings contemplated in this paragraph should be based on a draft environmental impact statement, which should in any event be made available to the public at least 15 days before the hearing.

(i) If as the result of the consideration of a proposed action as provided for by (b) above it is determined that no environmental impact statement is required under section 102(2)(C) of NEPA, a succinct but complete negative statement describing the action, the environmental impacts considered and the reasons why it has been concluded that an impact statement need not be filed shall be prepared by the head of the bureau having jurisdiction over the matter or by an officer specifically designated by him for the purpose. The Bureau EQO shall participate as appropriate in the preparation of such statements, which shall be submitted for the review and approval of the Departmental EQO. A file of such negative statements, available for public inspection, shall be maintained by the Bureau EQO (see CEQ. Guidelines,

§ 1500.6(e)). 3. Time scheduling. (a) The timing of the preparation, circulation, submission, and public availability of environmental impact statements is of vital importance. and the minimum time schedules set forth in §§ 1500.9(f) and 1500.11(b) and (e), and, when pertinent, § 1500.7(d) of the CEQ Guidelines shall be carefully followed.

(b) In general, these time schedules require observance of the following time periods:

(1) Not less than 45 days for comment on draft statements, subject to a CEQ Guidelines, § 1500.9(f)):

(ii) Not less than 90-day and 30-day periods, respectively, which may run concurrently, for public availability of draft and final statements prior to administrative actions (CEQ Guidelines, § 1500.11(b)):

(iii) Not less than 15 days for public availability of draft statements prior to any relevant hearings on proposed administrative actions (CEQ Guidelines,

§ 1500.7(d)).

(c) The periods specified in the preceding subsection are to be calculated from the date on which the CEQ has published in the FEDERAL REGISTER a weekly list in which the respective statement is included (CEQ Guidelines, § 1500.11(c)).

(d) In case the scheduling of Congressional hearings with respect to legislative proposals does not permit fulfillment of the normal time periods and related procedures, a draft statement may be furnished to the Congress and made available to the public pending transmittal of the comments as received and the final text (CEQ Guidelines. § 1500.12(b)).

(e) In the event of emergencies or overriding considerations of expense, the CEQ may be consulted, through the Departmental EQO, on possible variations of the specified periods (CEQ Guidelines,

§ 1500.11(e)).

4. General considerations as to utilization of impact statements. (a) Environtal impact statements are to be utilized with the greatest effectiveness possible in the process of assessing and reviewing proposed departmental policies, programs, and projects. All bureaus should take special care in determining at what stage or stages of a series of actions relating to a particular matter the environmental impact statement procedures covered by this directive shall be applied. indicated (section 2(b) As already above), the preparation of a requisite impact statement should be undertaken as early as possible in the bureau's process of considering the respective proposal. The normal process of the bureau for consideration and review of actions shall be followed, with such adjustment. particularly as to time periods, as may be necessary to permit ample fulfillment of the requirements of NEPA, the CEQ Guidelines, and these procedures (see Guidelines, §§ 1500.3(a) CEO 1500.11(b)).

(b) As indicated in § 1500.9(a) of the CEQ Guidelines and contemplated in section 2(b) above, a general principle to be applied is to obtain the views of other agencies at the earliest feasible time in the development of program or project proposals. Duplication in the clearance process should be avoided, but significant changes or redirections of a proposal may call for further environmental analysis and comment (CEQ Guidelines, § 1500.11(b)).

(c) If the action to be dealt with in an impact statement involves an applicant, the bureau should, if any interim activity

under the requirements normally applicable, establish limitations thereon pending completion and review of the final statement relating to the matter, so as to prevent any prejudice to the full consideration of the environmental aspects.

5. EPA procedures under the Clean Air Act. (a) The attention of all bureaus and bureau EQOs is specifically directed to § 1500.9(b) of the CEQ Guidelines which, pursuant to section 309 of the Clean Air Act (42 U.S.C. 1857h-7), requires that comment from the Environmental Protection Agency (EPA) is to be requested on the environmental impact of proposed legislation and regulations and of new construction projects and any major action significantly affecting the quality of the human environment, in areas of EPA responsibility, which include: Air or water quality, noise abatement and control, pesticide regulation, solid waste disposal. and generally applicable environmental radiation criteria and standards.

(b) Where an environmental impact statement is being filed with EPA for comment, no special additional procedure is required. However, proposed legislation or regulations in areas of EPA responsibility must be referred to that agency for comment, even if no environmental impact statement under section 102(2)(C) of NEPA is to be filed.

6. Securing information required in preparation of environmental impact statements, (a) The full resources of the Department should be tapped in developing the factual and analytic information and reference sources required in the preparation of an environmental impact statement. Further, in the great majority of instances, the assistance of other agencies with jurisdiction by law or special expertise concerning the environmental impacts involved should be sought. See section 2(b) above, and § 1500.9(a) and Appendixes II and III of the CEQ Guidelines, which list the agencies to be consulted.

(b) If Bureau EQOs have difficulties in securing requisite information or need guidance in making the necessary analysis, they should consult with the Department EQO, who will assist in locating needed information through appropriate staff members of the Council on Environmental Quality, the Office of Management and Budget, and the Environmental Protection Agency, or other pertinent sources.

7. Obtaining of comments on draft statements. (a) With respect to draft environmental impact statements, it is essential that the bureaus consult with and take account of the comments of appropriate Federal, state, and local agencies. Initially this consultation may take the form of informal fact finding and analytical advice in the preparation of impact statements, as contemplated in sections 2 and 6 above, but in any event, consultation shall involve the formal solicitation of review and comments on the draft statement (CEQ Guidelines, § 1500.9(a)-(b)). When appropriate, the

procedures set forth in Office of Management and Budget Circular No. A-95 for obtaining state and local comments through clearing houses shall be utilized (CEQ Guidelines, § 1500.9(c)):

(b) Comments should also be requested from private organizations or persons which appear to have a special interest in some significant environmental aspect of the proposed action (CEQ Guidelines, § 1500.9(d)).

- 8. Content of environmental impact statements. (a) Environmental impact statements are to provide adequate. meaningful, and factual information and analysis to permit an evaluation of the action from the environmental standpoint. Perfunctory generalities are not acceptable, but, on the other hand, information should be conveyed as succintly and understandably as the subject will permit. Quantitative information about the proposed action, including actual or estimated data on its probable effects, should be included to the furthest extent practicable. Where a costbenefit analysis of the proposed action has been prepared, this analysis should be attached to the environmental impact statement sent to the commenting agencles and to the Council on Environmental Quality and made available to the public.
- (b) The basic content requirements for a draft statement are set forth in § 1500.8 of the CEQ Guidelines and those for a final statement in § 1500,10, Appendix I of the Guidelines provides the format of a summary sheet which must accompany each draft and final statement. Statements by all bureaus shall follow the prescribed outline and content requirements as closely as is feasible in each particular case.
- (c) All reasonable alternatives and their environmental impacts are to be discussed, regardless of whether or not they are within the authority of the Department (CEQ Guidelines, § 1500.8(a) . (4)).
- (d) Any substantial points of view in opposition to the proposed action on environmental grounds which are known to exist shall be described in the draft statement as well as in the final statement. So far as possible, quotations of salient passages from expressions of such points of view should be included to make sure there is no doubt that they have been accurately presented. As to final statements, CEQ has directed (Guidelines, 1 1500.10(a)) that all substantive comments (or if any is exceptionally voluminous, a summary thereof) received on the draft should be attached to each copy, whether or not each such comment is thought to merit individual discussion in the text of the statement.
- (e) Each draft and final statement should refer to the underlying studies, reports and other documents considered by the preparing bureau and should indicate how such documents may be obtained. In general, with the exception of standard reference documents such as Congressional materials, the bureau should maintain a file of the respective documents which may be consulted by

interested persons. Even if especially significant documents are attached to the statement, care should be taken to insure that it remains an essentially self-contained instrument easily understood by the reader without the need for undue cross reference (CEQ Guidelines, § 1500.8 (b)).

- (f) Environmental impact statements should, to the extent possible, include statements or findings concerning environmental impact required by other statutes, such as section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. Section 470f), with a view to the issuance of a single document meeting all applicable requirements. Any procedures or instructions issued by the Federal agency having jurisdiction with regard to such a statute ; hould, of course, be consulted in the preparation of the combined statement.
- 9. Filing and distribution of environmental impact statements. (a) Ten copies of each draft or final statement are to be filed with CEQ (Guidelines, § 1500.11(a)).
- (b) At the same time that each draft statement is filed with the Council, copies should also be sent to all pertinent entities, i.e., Federal, state, and local agencies, and private organizations and individuals (CEQ Guidelines, § 1500.9).

(c) At the same time that each final statement is filed with the Council, copies should also be sent to all entities which made substantive comments on the draft statement, or requested a copy, so that they may be appropriately informed

(CEQ Guidelines, § 1500.10(b)).

10. Availability of environmental impact statements to the public. (a) Environmental impact statements, both draft and final, and any substantive comments thereon shall be made available to the public pursuant to the Freedom of Information Act (5 U.S.C. 552), the Department's regulations thereunder (31 CFR Part 1), and the disclosure regulations of the bureau. These documents are to be placed in the public reading room in the Treasury Library in the Main Treasury Building in Washington, D.C., and the public reading rooms of the bureau if any are maintained, and may be read or copied during working hours. When appropriate, copies of each statement shall also be made available through State, regional, and metropolitan clearinghouses, or such alternate point as the Governor of the respective State may designate to CEQ (Guidelines, g 1500.11(d)).

(b) A notice of the filing and availability of each environmental impact statement, draft and final, shall be inserted in the Federal Register by the responsible bureau. The Departmental EQO will supply a sample outline of such notices. Whenever appropriate, bureaus should also utilize, in coordination with the Departmental EQO, other methods for publicizing the existence of draft statements, such as, for example, supplying information to local newspapers or sending notice direct to nongovernmental groups or persons believed to be interested (CEQ Guidelines, §1500.9(d)).

(c) The initial printing of each statement should be sufficient to meet the anticipated demand, not only of agencies. organizations, and individuals who must receive copies as required by section 9 above (\$\$ 1500.9 and 1500.10(b) of the CEQ Guidelines), but also for a reasonable number of additional requests. Copies to be made available to the public shall normally be provided without charge, but when costs are significant, the bureau may, with the approval of the Departmental EQO, establish a fee which shall not exceed the actual cost of reproducing the copies additional to those required to be sent to other governmental agencies (CEQ Guidelines, § 1500.9(d)).

(d) If the supply of copies of a statement provided for in the preceding paragraph has been exhausted, or a requestor seeks more than one copy without an appropriate reason, attention should be directed to the publication service of the National Technical Information Service of the Department of Commerce, which has been designated as the long-term "publisher" of environmental impact statements, and which offers for sale to the public the environmental impact statements of all Federal agencies. Orders should be placed with the Ordering Department, National Technical Information Service, U.S. Department of Commerce, Springfield, Virginia 22151.

11. Utilization of final impact statements in decisional process, (a) Section 102(2)(C) of NEPA requires that the final environmental impact statement shall accompany the proposal to which it relates through the agency review process.

(b) In this process pertinent non-environmental factors are to be considered and balanced with those relating to the environment. It is requisite that the entire process be based on an administrative record in which the statement is included and fully taken into account together with the relevant non-environmental factors presented in the record. At each level of the review process an appropriate document of findings, conclusion, and decision carefully weighing the environmental considerations and the other relevant factors appearing in the record should be prepared by the responsible officer. In the initial stages this document may take the form of a recommendation to higher authority. Although no significant factor should be neglected. the document should give particular attention to any appreciable adverse environmental effects set forth in the impact statement and should closely. though succinctly, balance them with any other relevant interests and considerations of Federal policy set forth in the record, including particularly an analysis of the alternatives to the proposed action and their relationship to the non-environmental factors. The final decision may of course rely on the recommendations of subordinate officers, but if there is any variation it should contain sufficient analysis to make clear the essential bases of the determination.

12. Treasury comments on statements of other agencies. (a) As set forth in section 1(a) (vii) above and pursuant to Appendix III of the CEQ Guidelines, the Departmental EQO shall receive all environmental impact statements submitted by other agencies for comment and coordinate the appropriate review and reply. If any bureau receives a request for comment direct from another agency, it shall consult with the Departmental EQO.

(b) Comments should of course be confined to matters within the jurisdiction or expertise of the Department, How-

ever, comments need not be limited to environmental aspects but may relate to fiscal, economic, and other non-environmental matters of concern to the Department.

(c) At the time comments are sent to the agency responsible for a statement, five copies shall be forwarded to the five copies shall be forwarded to the CEQ by the Departmental EQO (CEQ Guidelines, § 1500.11(a)). Copies of replies indicating that the Department has no comment on an impact statement should not be forwarded to the CEQ.

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(d) With regard to requests for comment on statements relating to proposals for legislation, close coordination shall be maintained between the office of the Departmental EQO and Office of the General Counsel in relation to the latter's normal responsibility concerning departmental comments on legislative proposals themselves.

Effective date. These procedures are effective as of \_\_\_\_\_, 1974.

WARREN F. BRECHT, [FR Doc.74-3128 Filed 2-7-74;8;45 am]

### DEPARTMENT OF THE TREASURY

Office of the Secretary

ENVIRONMENTAL IMPACT STATEMENTS
Proposed Procedures for Preparation and
Coordination

On July 30, 1971, the Department of the Treasury issued Procedures for Preparation and Coordination of Environmental Impact Statements (36 FR 14221) under section 102(2)(C) of the National Environmental Policy Act (NEPA) (42 U.S.C., section 4332(2)(C)) pursuant to guidelines established by the Council on Environmental Quality on April 23, 1971 (36 FR 7724-9).

It is now proposed, as required by § 1500.3(a) of the amended guidelines promulgated by the Council on August 1, 1973 (38 FR 20550), to issue revised procedures, as set forth below. Comments on the proposed procedures are invited. Any such comments should be sent in duplicate to the Assistant Secretary for Administration, Department of the Treasury, Washington, D.C. 20220, on or before March 29, 1974.

After consideration of all comments received, the Department will make any revisions which appear appropriate and will publish the resultant definitive procedures in the FEDERAL REGISTER.

WARREN F. BRECHT,
Assistant Secretary
for Administration.

FEBRUARY 4, 1974.

The Departmental Procedures for Preparation and Coordination of Environmental Impact Statements under section 102(2)(C) of the National Environmental Policy Act of 1969, which were issued on July 30, 1971 (36 FR 14221), are amended as follows:

Authority. The following procedures are established, after consultation with the Council on Environmental Quality, in accordance with the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969, Public Inw 91-190 (42 U.S.C. 4332(2)(C)), hereinafter referred to as NEPA; section 2 of Executive Order 11514 (42 U.S.C. 4321 note); and § 1500.3 of the Guidelines for Preparation of Environmental Impact Statements promulgated by the Council on Environmental Quality, 40 CFR, Part 1500 (38 FR 20550), hereby incorporated by reference and hereafter referred to as the CEQ Guidelines. Since these procedures constitute a general statement of policy, notice and public procedure under 5 U.S.C. 553 are unnecessary.

Scope. These procedures apply to the recognition of the need for environmental impact statements with respect to proposals for legislation and other major actions significantly affecting the quality of the human environment, to the preparation of such statements, and to their circulation and review within and outside the Department of the Treasury. The procedures also provide for appropriate action with respect to environmental impact statements submitted to the De-

partment for comment. All bureaus, offices, and other components of the Department, hereafter referred to as bureaus, are required to follow these procedures in dealing with environmental impact statements. These procedures are to be applied in the light of the definitions and instructions in the CEQ Guidelines. They relate to all steps in the preparation and circulation of environmental impact statements occurring subsequent to \_\_\_\_\_, 1974. After that date, the procedures published in 36 FR 14221 are superseded without affecting the sufficiency of any action taken previously.

Content. These procedures provide for:
(a) Designation of the officials responsible for environmental impact statements.

(b) Identification of the proposed actions within the Department requiring environmental impact statements, the pertinent departmental review process, and the time scheduling for consultations required by section 102(2)(C) of NEPA.

(c) Obtaining of the information required in the preparation of environmental impact statements.

(d) Consultation with and taking account of the comments of appropriate Federal, State, and local agencies, including the Administrator of the Environmental Protection Agency as to the environmental impact of matters under section 309 of the Clean Air Act, as amended (42 U.S.C. 1857h-7), and § 1500.9(b) of the CEQ Guidelines.

(e) Making suitable arrangements as required by section 2(b) of Executive Order 11514 and § 1500.6(e) of the CEQ Guidelines, for timely public information on departmental plans and programs with environmental impact, including procedures relating to (i) the use of environmental impact statements in departmental policy and action review processes, (ii) the appropriate distribution of environmental impact statements, and (iii) the availability to the public of environmental impact statements and comments received thereon.

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1. Designation of responsible officials.
(a) There shall be in the Office of the Secretary a Departmental Environmen-

tal Quality Officer (EQO), designated by the Secretary, who shall (i) be the liaison official for the Department with the Council on Environmental Quality, the Environmental Protection Agency, and other departments and agencies concerning environmental matters, (ii) insure that the actions of the bureaus with respect to the fulfillment of NEPA are duly coordinated, (iii) provide guidance to bureaus on environmental policy and requirements, (iv) assist bureaus in reviewing and assessing the environmental impact of proposed Treasury actions, (v) provide guidance in the preparation and processing of environmental impact statements, (vi) receive for clearance action all environmental impact statements, draft and final, originating in the Department, (vii) receive all environmental impact statements submitted by other agencies to the Department and coordinate the appropriate review and reply, (viii) perform such other functions as are specified in these procedures or are appropriate under the CEQ Guidelines or other instructions or recommendations of CEQ.

(b) Responsibility for the preparation and appropriate circulation of environmental impact statements shall rest with the head of the bureau with jurisdiction over the action or policy area in question.

(c) Each bureau is directed to designate a Bureau Environmental Quality Officer (EQO), and alternate, with continuing staff responsibility for (i) identifying bureau actions requiring an environmental impact statement; (ii) making sure that each required statement is prepared timely and with the prescribed content by appropriate staff members; (iii) ensuring the bureau's compliance with the requirements of NEPA, the CEQ Guidelines, and these Departmental procedures, in particular by coordinating the review within the bureau of such statements, and (iv) maintaining compliance with all applicable scheduling. consultation, circulation, and publicity requirements. The Bureau EQO will also be expected to maintain effective communication and consultation with the Departmental EQO and to keep key officials in his bureau informed of current developments in environmental policy and program, particularly under NEPA.

The fulfillment of these duties will require constant and active attention by the Environmental Quality Officer to all operations of his bureau to insure that the possible applicability of NEPA is timely taken into account in all relevant cases and that, if an impact statement may be needed, the requirements of the Act, the CEQ Guidelines, these procedures, and any other instructions of the Department and the supplemental procedures, if any, issued by the bureau are promptly and fully followed.

(d) Letters transmitting environmental impact statements to the CEQ (section 9(a), below), as well as any reports or other communications to the Council, shall be addressed to its Chairman and shall be signed by the Departmental EQO. Unless special circumstances indicate that a different officer should act,

communications announcing decisions to prepare environmental impact statements (section 2(e), below), requesting commants on draft statements (section 7, below), or transmitting final statements for the information of agencies or persons commenting on draft statements (section 9(c), below), shall also be signed by the Departmental EQQ and, in the case of a Federal agency, shall be addressed to its Departmental Environmental Quality Officer or equivalent official. In addition to the above, all Departmental contacts with CEQ, EPA, and

other governmental agencies, or with nongovernmental organizations or individuals, on environmental matters shall ha through or coordinated with the Departmental POO.

partmental PQO.

(e) The assessment of the environmental impact of actions concerning various areas of Treasury policy and operations specified below and the preparation of environmental impact statements relating thereto shall be coordinated, in consultation with the Departmental EQO, with the officer having primary responsibility as follows:

#### Action area

Administration of facilities, physical operations, procurement, contracts, leases, etc.

Tax policy recommendations, legislation, and regulations.

Nontax legislative recommendations and reports.

International environmental matters

Energy and natural resource matters

Officer with coordinating responsibility
Assistant Secretary for Administration.

Assistant Secretary for Tax Policy.

General Counsel.

Assistant Secretary for International Affairs, Special Assistant to the Deputy Secretary.

(f) The heads of bureaus having operattoris which are affected by special conalderations are hereby authorized to issue supplementary procedures consistent with these Departmental procedures for the implementation of NEPA. Any such procedures, or amendments thereof, issued after \_\_\_\_, 1974 shall be submitted for review and concurrence by the Departmental EQO, and any procedures in existence at such date shall. with similar review and concurrence, be revised in accordance with the CEO Guidelines and these Departmental procedures. Such procedures, unless re-lating purely to the internal administration of the bureau, shall be published in the Federal Register.

(g) The Departmental EQO, and at his request, the respective bureau or bureaus, shall be responsive to requests from the CEQ for reports or other information in connection with the implementation of NEPA and for the preparation and circulation of environmental impact statements, as required by § 1500.11(f) of the Guidelines.

2. Identification of actions requiring environmental impact statements. (a) Each bureau shall insure that all employees with responsibility for actions potentially affecting the environment are informed of the requirements of this Departmental procedure.

(b) Whenever it appears that any matter, including the continuance of any action or program already initiated, is likely to fall within the requirements of section 102(2)(C) of NEPA as constituting a proposal for legislation or other major Federal action significantly affecting the quality of the human environment, whether beneficially or adversely, the environmental implications are to be explored promptly and in all events prior to the decision to take or to continue the setion (See CEQ Guidelines, \$\$ 1500.2 and 1500.7). In all such cases early notification shall be given by the responsible bureau official to the Bureau EQO, who shall obtain the views of the Departmental EQO, and a determination as to

the potential environmental effects of the notion and the consequent need or absence of need to submit an impact statement in connection with it shall be made by the bureau and, in the case of a negative determination in accordance with subsection (i), below, appropriately documented. If it appears appropriate in making such a determination, agencies outside the Department having expertise in matters involved should also be consulted. Agencies with special environmental expertise are listed in Appendix II of the CEQ Guidelines. Non-governmental organizations or individuals believed to have special knowledge should also be consulted when it appears appropriate. The appraisal provided for in this paragraph shall take place as early in the bureau's consideration of the proposed action as possible (Guidelines, § 1500.2

(c) A basic guide to the wide range of actions, including the establishment or continuance of programs, with respect to which an environmental impact statement may be appropriate and general criteria for determining which actions constitute major Federal actions and involve a significant impact on the environment are provided in § 1500.6 of the CEQ Guidelines. The underlying national environmental policy considerations are set forth in section 101 of NEPA and Executive Order 11514. It should be clearly understood that impact statements are not intended to be justification documents for proposed actions but are to be objective assessments of actions and their alternatives in the light of all reasonably pertinent environmental considerations (Guidelines, § 1500.7(a)).

(d) Because of the Department of the Treasury does not, in general, have responsibility for programs or activities under which each operation will normally affect the quality of the human environment, it is difficult to establish detailed criteria for determining what proposed actions within the Department should be the subject of an impact statement. For this reason, it is especially im-

portant that each bureau use careful judgment in determining when an environmental impact statement might be required pursuant to the criteria established in NEPA and in the CEQ Guidelines, including the indications of types of environmental impact presented by the subject headings in Appendix II of the Guidelines. It should be noted that, as set forth more fully in § 1500.5 of the CEQ Guidelines, actions on which a statement may be required include but are not limited to (i) recommendations or favorable reports relating to legislation, including requests for appropriations, (ii) new and continuing projects or program activities, including those supported in whole or in part through Federal contracts, grants, subsidies, loans, or other forms of funding assistance (except under such legislation as the State and Local Fiscal Assistance Act of 1972, 31 U.S.C. 1221 et seq.), (iii) the making or modification of regulations rules, procedures, and policy.

Examples of possible Treasury actions within the respective entegories might be (1) proposals of legislation relating to taxation bearing on the utilization of natural resources or affecting the depreciation of structures, (2) major building projects under the sponsorship of the Department and (3) revenue rulings to be published under existing tax law relating to depreciation allowances or other actions which might affect natural resource development and consumption or rulings under the legislation relating to alcohol which might result in the utilization of new substances for packaging.

In order to facilitate compliance as far as possible with the requirements of § 1500.6(c) of the CEQ Guidelines that each agency shall develop specific criterla and methods for identifying those actions likely to require environmental statements, each bureau shall submit to the Departmental EQO on or before May 31, 1974 a list of the actions, if any, within its jurisdiction which it considers would normally require impact statements and a list of those which may require statements depending on the circumstances. Pursuant to § 1500.7(d) of the Guidelines, the lists should indicate any types of action which would appear to require public hearings as to environmental aspects.

In view of the nature of Treasury activities referred to above, no effort need be made to list actions which normally would not require statements, unless the bureau believes that there is some special reason to do so as to a particular category. Since legislative matters will be subject to Department-wide criteria, they may be omitted unless the bureau considers that there is some particular need to set forth types of legislation with which it is concerned.

(e) When a decision to prepare an environmental impact statement on a proposed administrative action is made, it shall promptly be announced in the Federal Register. The Departmental EQO will provide the Bureau EQO with

a sample of such an announcement. In possible extension of up to 15 days (see addition, whenever an announcement is published, letters transmitting a copy shall be sent to each agency or person, public or private, believed to have a special interest in or knowledge of the matter (see CEQ Guidelines, § 1500.6(e)).

(f) The Departmental EQO shall cause to be maintained for public inspection a list of all matters in the Department as to which it has been decided to prepare an impact statement, shall consolidate the list quarterly, and as it is so revised, shall transmit it to the Council (see CEQ Guidelines, § 1500.6(e))

(g) Each impact statement shall first be issued in draft, for comment by government agencies and the public as appropriate. A final statement responsive to comments received shall then be issued. The requirements for the preparation and circulation of the draft and final statements are indicated in sections 3-10 below.

(h) Whenever under the normal policies or procedures of a bureau a hearing would be held on a matter requiring the preparation of an environmental impact statement, the environmental aspects should be included in the hearing. In other cases the question of whether a hearing should be held with respect to an environmental matter shall be determined in accordance with the criteria set forth in § 1500.3(d) of the Guidelines. Normally, all hearings contemplated in this paragraph should be based on a draft environmental impact statement, which should in any event be made available to the public at least 15 days

before the hearing. (i) If as the result of the consideration of a proposed action as provided for by (b) above it is determined that no environmental impact statement is required under section 102(2)(C) of NEPA, a succinct but complete negative statement describing the action, the environmental impacts considered and the reasons why it has been concluded that an impact statement need not be filed shall be prepared by the head of the bureau having jurisdiction over the matter or by an officer specifically designated by him for the purpose. The Bureau EQO shall participate as appropriate in the preparation of such statements, which shall be submitted for the review and approval of the Departmental EQO. A file of such negative statements, available for public inspection, shall be maintained by the Bureau EQO (see CEQ. Guidelines, \$ 1500.6(e)).

3. Time scheduling. (a) The timing of the preparation, circulation, submission, and public availability of environmental impact statements is of vital importance. and the minimum time schedules set forth in §§ 1500.9(f) and 1500.11(b) and (c), and, when pertinent, § 1500.7(d) of the CEQ Guidelines shall be carefully

(b) In general, these time schedules require observance of the following time periods:

(i) Not less than 45 days for comment on draft statements, subject to a CEQ Guidelines, § 1500.9(f)):

(ii) Not less than 90-day and 30-day periods, respectively, which may run concurrently, for public availability of draft and final statements prior to administrative actions (CEQ Guidelines. § 1500.11(b));

(iii) Not less than 15 days for public availability of draft statements prior to any relevant hearings on proposed administrative actions (CEQ Guidelines,

§ 1500,7(d)).

(c) The periods specified in the preceding subsection are to be calculated from the date on which the CEQ has published in the FEDERAL REGISTER a weekly list in which the respective statement is included (CEQ Guidelines, § 1500.11(c)).

(d) In case the scheduling of Congressional hearings with respect to legislative proposals does not permit fulfillment of the normal time periods and related procedures, a draft statement may be furnished to the Congress and made available to the public pending transmittal of the comments as received and the final text (CEQ Guidelines, § 1500.12(b)).

(e) In the event of emergencies or overriding considerations of expense, the CEQ may be consulted, through the Departmental EQO, on possible variations of the specified periods (CEQ Guidelines,

§ 1500.11(e)).

4. General considerations as to utilization of impact statements. (a) Environtal impact statements are to be utilized with the greatest effectiveness possible in the process of assessing and reviewing proposed departmental policies, programs, and projects. All bureaus should take special care in determining at what stage or stages of a series of actions relating to a particular matter the environmental impact statement procedures covered by this directive shall be applied. As already indicated (section 2(b) above), the preparation of a requisite impact statement should be undertaken as early as possible in the bureau's process of considering the respective proposal. The normal process of the bureau for consideration and review of actions shall be followed, with such adjustment, particularly as to time periods, as may be necessary to permit ample fulfillment of the requirements of NEPA, the CEQ Guidelines, and these procedures (see CEQ Guidelines, §§ 1500.3(a) 1500.11(b)).

(b) As indicated in § 1500.9(a) of the CEQ Guidelines and contemplated in section 2(b) above, a general principle to be applied is to obtain the views of other agencies at the earliest feasible time in the development of program or project proposals. Duplication in the clearance process should be avoided, but significant changes or redirections of a proposal may call for further environmental analysis and comment (CEQ Guidelines, § 1500.11(b)).

(c) If the action to be dealt with in an impact statement involves an applicant, the bureau should, if any interim activity of such person is otherwise permissible under the requirements normally applicable, establish limitations thereon pending completion and review of the final statement relating to the matter, so as to prevent any prejudice to the full consideration of the environmental aspects.

5. EPA procedures under the Clean Air Act. (a) The attention of all bureaus and bureau EQOs is specifically directed to § 1500.9(b) of the CEQ Guidelines which, pursuant to section 309 of the Clean Air Act (42 U.S.C. 1857h-7), requires that comment from the Environmental Protection Agency (EPA) is to be requested on the environmental impact of proposed legislation and regulations and of new construction projects and any major action significantly affecting the quality of the human environment, in areas of EPA responsibility, which include: Air or water quality, noise abatement and control. pesticide regulation, solid waste disposal, and generally applicable environmental radiation criteria and standards.

(b) Where an environmental impact statement is being filed with EPA for comment, no special additional procedure is required. However, proposed legislation or regulations in areas of EPA responsibility must be referred to that agency for comment, even if no environmental impact statement under section 102(2)(C)

of NEPA is to be filed.

6. Securing information required in preparation of environmental impact statements. (a) The full resources of the Department should be tapped in developing the factual and analytic information and reference sources required in the preparation of an environmental impact statement. Further, in the great majority of instances, the assistance of other agencies with jurisdiction by law or special expertise concerning the environmental impacts involved should be sought. See section 2(b) above, and § 1500.9(a) and Appendixes II and III of the CEQ Guidelines, which list the agencies to be consulted.

(b) If Bureau EQOs have difficulties in securing requisite information or need guidance in making the necessary analysis, they should consult with the Department EQO, who will assist in locating needed information through appropriate staff members of the Council on Environmental Quality, the Office of Management and Budget, and the Environmental Protection Agency, or other pertinent sources.

7. Obtaining of comments on draft statements. (a) With respect to draft environmental impact statements, it is essential that the bureaus consult with and take account of the comments of appropriate Federal, state, and local agencies. Initially this consultation may take the form of informal fact finding and analytical advice in the preparation of impact statements, as contemplated in sections 2 and 6 above, but in any event, consultation shall involve the formal solicitation of review and comments on the draft statement (CEQ Guidelines, § 1500.9(a)-(b)). When appropriate, the

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procedures set forth in Office of Management and Budget Circular No. A-95 for obtaining state and local comments through clearing houses shall be utilized (CEQ Guidelines, § 1500.9(c));

(b) Comments should also be requested from private organizations or persons which appear to have a special interest in some significant environmental aspect of the proposed action (CEQ Childelines, § 1500.9(dr),

- A Content of environmental impact statements, (a) Environmental impact statements are to provide adequate, meaningful, and factual information and analysis to permit an evaluation of the action from the environmental standpoint. Perfunctory generalities are not acceptable, but, on the other hand, information should be conveyed as succintly and understandably as the subject will permit. Quantitative information about the proposed action, including actual or estimated data on its probableeffects, should be included to the furthest extent practicable. Where a costbenefit analysis of the proposed action has been prepared, this analysis should be attached to the environmental impact statement sent to the commenting agencles and to the Council on Environmental Quality and made available to the public.
- (b) The basic content requirements for a draft statement are set forth in 1500.8 of the CEQ Guidelines and those for a final statement in § 1500.10. Appendix I of the Guidelines provides the format of a summary sheet which must accompany each draft and final statement. Statements by all bureaus shall follow the prescribed outline and content requirements as closely as is feasible in each particular case.
- (c) All reasonable alternatives and their environmental impacts are to be discussed, regardless of whether or not they are within the authority of the Department (CEQ Guidelines, \$ 1500.8(a) (4)).
- (d) Any substantial points of view in opposition to the proposed action on environmental grounds which are known to exist shall be described in the draft statement as well as in the final statement, So far as possible, quotations of salient passages from expressions of such points of view should be included to make sure there is no doubt that they have been accurately presented. As to final statements, CEQ has directed (Guidelines, § 1500.10(a)) that all substantive comments (or if any is exceptionally voluminous, a summary thereof) received on the draft should be attached to each copy, whether or not each such comment is thought to merit individual discussion in the text of the statement.
- (e) Each draft and final statement should refer to the underlying studies, reports and other documents considered by the preparing bureau and should indicate how such documents may be obtained. In general, with the exception of standard reference documents such as Congressional materials, the bureau should maintain a file of the respective documents which may be consulted by

interested persons. Even if especially significant documents are attached to the statement, care should be taken to insure that it remains an essentially self-contained instrument easily understood by the reader without the need for undue cross reference (CEQ Guidelines, § 1500.8 (b)).

(f) Environmental impact statements should, to the extent possible, include statements or findings concerning environmental impact required by other statutes, such as section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. Section 470f), with a view to the issuance of a single document meeting all applicable requirements. Any procedures or instructions issued by the Federal agency having jurisdiction with regard to such a statute hould, of course, be consulted in the preparation of the combined statement.

9. Filing and distribution of environmental impact statements. (a) Ten copies of each draft or final statement are to be filed with CEQ (Guidelines, § 1500.11(a)).

(b) At the same time that each draft

statement is filed with the Council, copies should also be sent to all pertinent entities, i.e., Federal, state, and local agencies, and private organizations and individuals (CEQ Guidelines, § 1500.9).

(c) At the same time that each final statement is filed with the Council, copies should also be sent to all entities which made substantive comments on the draft statement, or requested a copy, so that they may be appropriately informed (CEQ Guidelines, § 1500.10(b)).

10. Availability of environmental impact statements to the public. (a) Environmental impact statements, both draft and final, and any substantive comments thereon shall be made available to the public pursuant to the Freedom of Information Act (5 U.S.C. 552), the Department's regulations thereunder (31 CFR Part 1), and the disclosure regulations of the bureau. These documents are to be placed in the public reading room in the Treasury Library in the Main Treasury Building in Washington, D.C., and the public reading rooms of the bureau if any are maintained, and may be read or copied during working hours. When appropriate, copies of each statement shall also be made available through State, regional, and metropolitan clearinghouses, or such alternate point as the Governor of the respective State may designate to CEQ (Guidelines, § 1500.11(d)).

(b) A notice of the filing and availability of each environmental impact statement, draft and final, shall be inserted in the Federal Register by the responsible bureau. The Departmental EQO will supply a sample outline of such notices. Whenever appropriate, bureaus should also utilize, in coordination with the Departmental EQO, other methods for publicizing the existence of draft statements, such as, for example, supplying information to local newspapers or sending notice direct to nongovernmental groups or persons believed to be interested (CEQ Guidelines, \$1500.9(d)).

(c) The initial printing of each statement should be sufficient to meet the anticipated demand, not only of agencies, organizations, and individuals who must receive copies as required by section 9 above (§§ 1500.9 and 1500.10(b) of the CEQ Guidelines), but also for a reasonable number of additional requests. Copies to be made available to the public shall normally be provided without charge, but when costs are significant, the bureau may, with the approval of the Departmental EQO, establish a fee which shall not exceed the actual cost of reproducing the copies additional to those required to be sent to other governmental agencies (CEQ Guidelines, § 1500.9(d)).

(d) If the supply of copies of a statement provided for in the preceding paragraph has been exhausted, or a requestor seeks more than one copy without an appropriate reason, attention should be directed to the publication service of the National Technical Information Service of the Department of Commerce, which has been designated as the long-term 'publisher" of environmental impact statements, and which offers for sale to the public the environmental impact statements of all Federal agencies. Orders should be placed with the Ordering Department, National Technical Information Service, U.S. Department of Commerce, Springfield, Virginia 22151.

11. Utilization of final impact statements in decisional process. (a) Section 102(2)(C) of NEPA requires that the final environmental impact statement shall accompany the proposal to which it relates through the agency review process.

(b) In this process pertinent non-environmental factors are to be considered and balanced with those relating to the environment. It is requisite that the entire process be based on an administrative record in which the statement is included and fully taken into account together with the relevant non-environmental factors presented in the record. At each level of the review process an appropriate document of findings, conclusion, and decision carefully weighing the environmental considerations and the other relevant factors appearing in the record should be prepared by the responsible officer. In the initial stages this document may take the form of a recommendation to higher authority. Although no significant factor should be neglected, the document should give particular attention to any appreciable adverse environmental effects set forth in the impact statement and should closely, though succinctly, balance them with any other relevant interests and considerations of Federal policy set forth in the record, including particularly an analysis of the alternatives to the proposed action and their relationship to the non-environmental factors. The final decision may of course rely on the recommendations of subordinate officers, but if there is any variation it should contain sufficient analysis to make clear the essential bases of the determination.

12. Treasury comments on statements of other agencies. (a) As set forth in section 1(a) (vii) above and pursuant to ever, comments need not be limited to Appendix III of the CEQ Guidelines, the Departmental EQO shall receive all environmental impact statements submitted by other agencies for comment and coordinate the appropriate review and reply. If any bureau receives a request for comment direct from another agency, it shall consult with the Departmental EQO.

(b) Comments should of course be confined to matters within the jurisdiction or expertise of the Department. How-

environmental aspects but may relate to fiscal, economic, and other non-environmental matters of concern to the Department.

(c) At the time comments are sent to the agency responsible for a statement, five copies shall be forwarded to the five copies shall be forwarded to the CEQ by the Departmental EQO (CEQ Guidelines, § 1500.11(a)). Copies of replies indicating that the Department has no comment on an impact statement should not be forwarded to the CEQ.

(d) With regard to requests for comment on statements relating to proposals for legislation, close coordination shall be maintained between the office of the Departmental EQO and Office of the General Counsel in relation to the latter's normal responsibility concerning departmental comments on legislative proposals themselves.

Effective date. These procedures are effective as of \_\_\_\_\_, 1974.

WARREN F. BRECHT, [FR Doc.74-3128 Filed 2-7-74;8:45 am]

Federal Register File



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#### NEW DENVER MINT

#### PLANNING CRITERIA

### 1. Project Description

The new Denver Mint will be primarily an industrial/manufacturing facility with the mission of producing domestic coins ranging in denomination from 1¢ through \$1, plus some production of proof coins and medals. The Mint will perform essentially all functions involved in coin production, starting with the receipt of virgin metal and proceeding through the flow process steps to the production, storage, and shipment of finished coins and medals. Necessary administrative and production support space and facilities are to be included in the Mint, including the accommodation of public visitors.

The following specific functions/space requirements are to be included in the new Denver Mint:

#### a. Basic Functions

Melting and casting, ingot hot rolling, scarfing, strip intermediate rolling, strip finish rolling, strip slitting, blanking, blank annealing and cleaning, blank upsetting, coining, counting and bagging, packaging in the case of proof coins and medals, and coin storage.

### b. Direct Support Functions

Assay and quality control, die production from the Hub stage, building and production equipment maintenance and repair, shipping and receiving (coinage metal, coins, and supplies) and warehousing.

### c. Administrative Support Functions

Mint Staff (Superintendent and Deputy Superintendent, Accounting and ADP, Personnel, Supply and Purchasing, Safety and Security), visitors gallery, numismatic sales, cafeteria, conference rooms and training areas, vehicle parking (employees and visitors), and other miscellaneous office space.

### 2. Mission

a. Based on three shift operation for melting and casting and two shift operation of all other processes, the Mint is to be constructed and equipped to provide for an initial production capacity of 10.5 billion domestic coins per year, ranging in

denomination from 1¢ through \$1. When fully equipped, and based on three shift operation of all processes, the Mint is to have a production capacity of 15.7 billion coins per year, and will have the capability of producing sufficient strip to support the level of coinage production.

b. The Mint also is to be constructed and equipped to provide for production, packaging and distribution of 25 million proof coins and medals per year.

### 3. Production Parameters (Annual Basis)

#### a. Domestic Coin Production

<u>Denomination</u>	Quantity
1c	9,280,000,000
5¢	620,000,000
10¢	220,000,000
25¢	110,000,000
50¢	55,000,000
\$1	55,000,000
Other coins	160,000,000
	10,500,000,000

b. Proof Coin and Medal Production

25,000,000 pieces total.

c. Foreign Coin Production

Although foreign coins will be produced, no capacity identified to such production will be included in the Denver Mint. Excess capacity available from planned domestic and proof coin programs will be utilized for foreign coin programs as can be made available.

#### d. Shift Basis

For determining initial capacity requirements, planned shift basis will be 2 shifts per day, 5 days per week, 240 days per year, except that melting and casting will be operating 3 shifts per day, 5 days per week.

e. Melting and Casting

Denver shall have the capacity to produce ingots for concurrent annual production of:

9,280,000,000 bronze 1¢ coins 1,500,000,000 cupronickel 5¢ coins

9,000,000 pounds of cupronickel strip for use at the Philadelphia Mint in producing bonded strip material for clad coins.

No capacity for melting and casting silver alloys is to be included.

Planning in this area shall encompass provisions for expanding all melting and casting related functions by 50%. Building and equipment layout shall be so arranged as to accommodate and relate to this future expansion plan.

#### f. Strip Preparation

All annealing, rolling mills, strip overhaul, surface preparation, slitter, and other strip preparation equipment shall have the capacity for concurrent annual production of strip required

9,280,000,000 bronze 1¢ coins

1,500,000,000 cupronickel 5¢ coins

9,000,000 pounds of cupronickel strip for Philadelphia

Adequate in-process storage shall be provided for operation of individual equipment stations on 3-shifts per day basis, in addition to that determined to be required in normal day-to-day operation.

#### Blank Preparation g.

This function shall have the capacity to support the processing of an adequate number of blanks to produce the coinage listed in paragraph 3, a. above.

Coining, Counting and Bagging h.

> Production capacity shall be that listed in paragraph 3, a. above.

#### Strip Bonding i.

Coinage strip bonding operation will not be included in the Denver Mint. All cupronickel/copper strip for 10¢, 25¢, 50, and \$1 coins will be provided by the Philadelphia Mint or others. Bonded coinage strip of other alloys will be purchased.

The design for the new mint will include provisions for the future addition of a strip bonding facility, if and when the need arises.

#### General Planning Factors 3.

- Separate buildings, or separate portions of buildings, will be provided for:
  - Melting and casting, slab rolling, and surface milling

- (2) Strip preparation, blank preparation, coining and coin storage
- (3) Administrative offices and support functions
- b. Isolate and provide noise depressant areas for such operations as metal make-up, rolling, blank preparation, and coining.
- c. Production concept to be single story sequential flow with minimum vertical handling of production materials, unless site specifics and engineering economic analysis dictate otherwise.
- d. The entire facility will be planned and designed to provide for maximum reasonable future expansion. Where appropriate, foundations, columns, beams and building systems (electrical, mechanical, process liquids, etc.) will be designed to meet expansion requirements.
- e. Vehicle parking area for employees and visitors will be separate. Spaces for 450 employee automobiles, 250 visitor automobiles and 10 visitor busses will be provided.
- f. Useable production equipment and machinery in good enough operating condition to have a remaining life expectancy of five years will be relocated from the present Denver Mint.
- g. Need for operating and maintenance spares on major items of production equipment will be determined prior to bid solicitation, and an adequate number of such spares will be procured concurrently with the equipment.
  - h. Storage requirements for metal for melting and casting will be equivalent to 30 days production.
  - i. Storage requirements for finished coins will be equivalent to 45 days production.
  - j. Adequate surge storage space will be provided between various operations to allow for interrupted production due to equipment failures, maintenance problems, and other factors.
  - k. The production process will be designed and laid out to provide easy access for maintenance of equipment.
  - Administrative/support area layouts will be based on moveable partitions, except where fixed masonry partitions are required or are more feasible, in such areas as stairwells, elevator cores and bathrooms.

# General Design Criteria Prepared by Bureau of the Mint

# 1. Design Concept

It is the intent of the United States Government that the new Denver Mint will be designed, constructed, and equipped to provide the most modern coin manufacturing plant in existence at the time of its completion, using proved equipment, technology and industrial processes. It is not intended to advance beyond the proved state-of-the-art in equipping the various systems and subsystems in the facility.

Also, it is the intent of the United States Government that the new Mint be designed and constructed to provide structures and a surrounding setting that will reflect the importance and dignity of the special function of the United States Government to be performed in the facility, and to be in harmony with and to enhance the modern Western character of the metropolitan Denver area.

In the process of planning for the new Denver Mint, the Bureau of the Mint has prepared detailed facility criteria and tentative plans for the industrial process layout, including space determinations and equipment selections for the various functional operations. These criteria and tentative process layouts are attached. These layouts, material flow charts and specific equipment/function criteria were prepared on the concept of providing an initial production capacity of 7.7 billion coins per year on a two-shifts per day basis for nearly all process operations, and on the concept of constructing both a strip production facility and a coining facility. As the strip production facility is in a deferred status at this time, and as the initial production capacity is now 10.5 billion coins per year on a three-shifts per day basis, this material is not completely applicable to the current design requirement. However, this material is being furnished for general information and guidance purposes and for use in general planning to accommodate the possibility of construction of a strip production facility on the site at a later date. It is intended the Architect-Engineer will review the criteria and propose alternatives or amendments as appropriate. The tentative layouts and equipment selections are not restrictive. On the contrary, the Architect-Engineer is expected to analyze the entire spectrum of operations and functions to be performed and to use his judgment, expertise and analysis in developing the design of the new Denver Mint.

# 2. Mission

Based on three-shift operation of all processes, the Mint is to be constructed and equipped to provide for an initial production capacity of 10.5 billion domestic coins per year, ranging in denomination from 1¢ through \$1. When fully equipped, and based on three-shift operation of all processes, the Mint is to have a production capacity of 15.75 billion coins per year.

The Mint also is to be constructed and equipped to provide for production, packaging and distribution of 25 million proof coins and medals per year.

# 3. Production Parameters (Annual Basis)

#### a. Domestic Coin Production

and be about	Quantity	
Denomination	<u>Initial</u>	Fully Equipped
1¢	9,280,000,000	13,920,000,000
5¢	620,000,000	930,000,000
10¢	220,000,000	330,000,000
25¢	110,000,000	165,000,000
50¢	55,000,000	82,500,000
\$1	55,000,000	82,500,000
Other coins	160,000,000	240,000,000
	10,500,000,000	15,750,000,000

# b. Proof Coin and Medal Production

25,000,000 pieces total.

### c. Foreign Coin Production

Although foreign coins will be produced, no capacity identified to such production will be included in the Denver Mint. Excess capacity available from planned domestic and proof coins programs will be utilized for foreign coin programs as can be made available.

#### d. Shift Basis

For determining initial capacity requirements, planned shift basis will be 3 shifts per day, 5 days per week, 240 days per year.

e. Melting and Casting, and Strip Production

This function (strip production facility) is not included in the project, except for the planning concept for the new Mint, at this time. It may be added later. See Paragraph 5.d. below.

f. Blank Preparation

This function shall have the capacity to support the processing of an adequate number of blanks to produce the coinage listed in Paragraphs 3.a. and b. above.

g. Coining, Counting and Bagging

Production capacity shall be that listed in Paragraphs 3.a. and b. above.

h. Strip Bonding

Coinage strip bonding operation will not be included in the Denver Mint. All cupro-nickel/copper strip for 10¢, 25¢, 50¢ and \$1 coins will be provided by the Philadelphia Mint or others. Bonded coinage strip of other alloys will be purchased.

The design for the new Mint will include consideration of future addition of a strip bonding facility, complete with bell annealers and a strip cleaning line, if and when the need arises.

# 4. General Planning Factors and Requirements

4

- a. Separate buildings, or separate portions of buildings, will be provided for:
  - (1) Blank preparation, coining and coin storage
  - (2) Administrative offices and support functions
  - (3) Proof coining operations
- b. Isolate and provide noise depressant areas for such operations as blank preparation, and coining.
- c. Production concept to be single story sequential flow with minimum vertical handling of production materials, unless site specifics and engineering economic analysis dictate otherwise.
- d. The entire facility will be planned and designed to provide for maximum reasonable future expansion, up to a minimum production capacity of 28 billion pieces per year. Where appropriate, foundations, columns, beams and building systems (electrical, mechanical, process liquids, etc.) will be designed to meet expansion requirements.
- e. Vehicle parking area for employees and visitors will be separate. Spaces for 250 employee automobiles, 150 visitor automobiles and 10 visitor busses will be provided.
- f. Usable production equipment and machinery in good enough operating condition to have a remaining life expectancy of at least five years will be relocated from the present Denver Mint.
- g. Need for operating and maintenance spares on major items of production equipment will be determined prior to bid solicitation, and an adequate number of such spares will be procured concurrently with the equipment. Production equipment procurement documents shall require the furnishing of operation and maintenance manuals, wiring diagrams, etc., and operation and maintenance training.
- h. Storage requirements for metal strip will be equivalent to 30 days production at the 15.7 billion coins per year rate.

5.

- j. Adequate surge storage space will be provided between various operations to allow for interrupted production due to equipment failures, maintenance problems and other factors.
- k: The production process will be designed and laid out to provide easy access for maintenance of equipment.
- .1. Administrative/support area layouts will be based on movable partitions, except where fixed masonry partitions are required, or are more feasible in such areas as stairwells, elevator cores and bathrooms.
  - m. Standby emergency electric power will be provided for essential needs such as security monitoring systems, blank annealing lines, sump pumps, personnel evacuation lighting, etc.
  - n. Provide a security system for the facility with the objective of providing adequate security at reasonable equipment and personnel costs. The layout and arrangement of work areas, lunch rooms, bathrooms and locker rooms should be such as to allow for limitation of employee mobility within the facility. Sensitive areas should be isolated and provided with physical restraints so that a restrictive access system can be readily enforced.
  - o. Provide a complete telephone system for the facility consisting of empty conduits, telephone terminal cabinets, wall outlets and telephone equipment room.
  - p. Provide an intercommunication system for point-to-point communication between specific operational activities, based on the requirements of the industrial process system. Design an associated paging system for selective and overall paging throughout the Mint.
  - q. Provide a fire protection system for the entire facility.

- r. Prepare calculations and economic studies supporting the recommendations for electrical aspects of the facility such as the voltage level at which the Government should purchase power, the motor starting methods (across the line vs reduced voltage), the short circuit current calculations for determining the equipment interrupting capacities required, the degree of ground fault protection, AC to DC conversion method, and copper vs aluminum conductors.
- s. The design of the new Denver Mint shall meet all local code, zoning and design requirements, requirements as to the use of materials, and the provision of employee facilities. If a local approval of the exterior massing and fenestration of the facility is required by law, ordinance or regulation, the Architect-Engineer shall assist the Contracting Officer's representative in obtaining this approval.
- t. The New Denver Mint shall be designed and the construction documents prepared in compliance with the letter and spirit of Public Law 91-190 (the National Environmental Policy Act of 1969) and Executive Orders 11507 and 11514, and in accordance with the Final Environmental Impact Statement for this facility dated May 29, 1974.
- u. The new Denver Mint shall be designed and the construction documents prepared to comply with the letter and spirit of the Occupational Safety and Health Act of 1970 (Public Law 91-596). In this regard, solution of external and internal noise pollution problems will require particular attention.

- v. The new Denver Mint shall be designed and the construction documents prepared to comply with the letter and spirit of local, State and Federal laws and regulations pertaining to the prevention of air and water pollution and solid wastes disposal. Executive Order 11507, dated February 4, 1970, is applicable. It is intended that the new Denver Mint will be equipped with the most modern and efficient pollution measurement, prevention and control systems and devices available, so that the plant will serve as a model in the field of pollution measurement and prevention.
- w. Process lines and utilities shall be designed for serviceability and good accessibility. All process lines and utilities shall be color coded for easy identification.
- x. Provide the necessary railroad siding(s) to service the facility.

## 5. Specific Functions/Space Requirements

The following specific functions/space requirements are to be included in the new Denver Mint:

a. Basic Functions

Blanking, blank annealing and cleaning, blank upsetting, coining, counting and bagging, packaging in the case of proof coins and medals, and coin storage.

b. Direct Support Functions

Assay and quality control, die production from the Hub stage, building and production equipment maintenance and repair, shipping and receiving (coinage, strip, coins, supplies, and scrap) and warehousing.

c. Administrative Support Functions

Mint Staff (Superintendent and Deputy Superintendent, Accounting and ADP, Personnel, Supply and Purchasing, Safety and Security), visitors' gallery, numismatic sales, cafeteria, conference rooms and training areas, vehicle parking (employees and visitors), and other miscellaneous office space.

#### d. Planned Future Functions

At this time the new Mint is to be designed on the concept that the metal strip required for coinage will be procured from commercial or other outside sources. However, for planning and design purposes with regard to such factors as site layouts, utilities, access, parking areas, roads, etc., it is to be assumed that a coinage strip production facility, utilizing virgin metal and scrap returns, will be constructed on the site at some future date. Planning for this future addition is to be based on New Mint Criteria Plate No. 1, Strip Production Facility, dated June 1972, and Specific Equipment/Function Criteria, Item Numbers 2 through 18 and 20, dated July 1, 1973.

### 6. Design and Construction Schedule

The planned time schedule for these Architect-Engineer services is shown on Enclosure 1, dated July 1974.

### 7. Coinage Data

See Enclosure II Sheets (C-1-(a) through C-1-(h) for established data on coinage alloys, dimensions, weights, production, metals, etc.

### 8. Design Capacities and Material Flow Charts

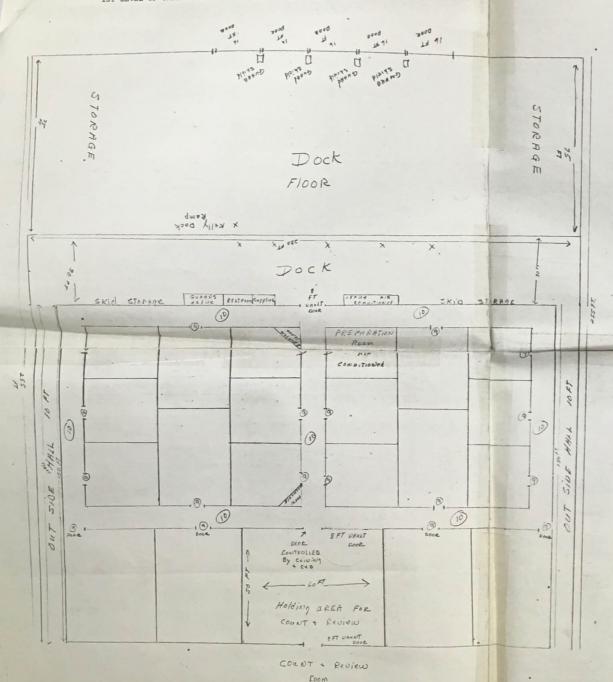
The design capacities and material flow in tons per hour or per shift for bronze, cupro-nickle and clad coinage is shown on Enclosure III Sheet 1 through 3 of 3. These plates are to be used as preliminary planning data only and are not to be considered firm requirements.

### 9. Specific Equipment/Function Criteria

Enclosure IV dated July 1, 1973, consists of 36 equipment/function criteria items. This data is to be used as preliminary planning information only and are not to be considered firm requirements. Note that Items 2 through 18 and 20 apply to the presently deferred Strip Production Facility, except that one scrap baler discussed in Item 15 is required in the Coining facility.

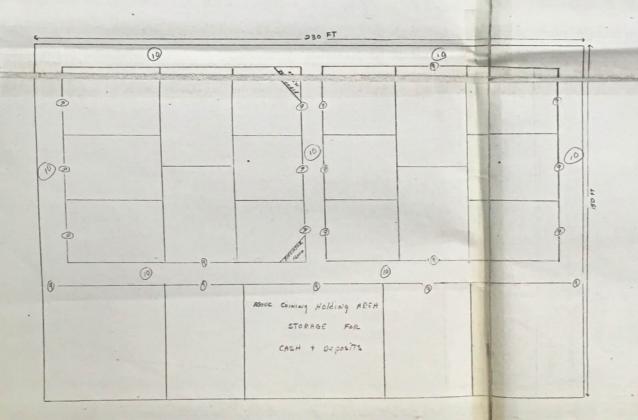
# · 10. Preliminary Space Survey

Enclosure V consists of five drawings, Plates 1, 2, 3 (Pages 1 and 2 of 2), and 4. These plates are to be used as preliminary space surveys only and are not to be considered firm facilities or equipment layout requirements.



- 1. Office long and narrow
- Restroom long and narrow
- 3. Aisle 10 FT everywhere
- 4. Elevators 16,000 lb. minium (Size to accomodate skids)
- 5. Doors to compartments 9 FT Metal Electric Operated Doors
- 6. Lights Mercury vapor flush mount or florescent hung near
- 7. Outside Doors Front from coining to be secured from both sides 2 dial combination Rear dock end outside - 2 combination type Inside to secure vault from inside or out so men can work without watching door.
- 8. Lower dock to have floor drains and lights to shine into trailers #15.
- 9. On dock Guard office
- 10. Outside telephone in area for truckers use
- 11. Master electric breaker box to kill all lights-fans in entire vault located on dock end of vault.
- 12. PA system to have controls from dock office- vault entrance & answer system in vault. PA SYSTEM THROUGH OUT VAULT.
- 13. Door to dock Don't crowd with office, restroom or supply room. Leave room for door to swing.
- 14. One compartment air conditioned for manual labor of boxing of foreign coin or other misc. manual labor. Scale in this room to weigh finished load of foreign.
- Lower dock (See #8 also)
   A. Accomodate 5 tractors and 40 FT. or longer trailer and walk way for guard.
  - B. 5-20 FT. high overhead electric operated doors.
  - C. Guard turrout at every door for security. Guard moves to door he is opening.
  - D. Kelly dock for each stall.
- 16. Holding area can be used by coining storage for unfinished loads - unbagged coin.

2ND LEVEL OF CASH & DEPOSITS DIVISION COIN STORAGE VAULTS



2nd floor level is expanded over 10 ft. exterior aisles on sides.

### NEW DENVER MINT PROGRAM ANALYSIS DOCUMENT

The proposed new mint would have the mission of producing domestic coins ranging in denomination from 1¢ to \$1, plus some production of foreign coins, proof coins and medals. It is the intent of the Treasury Department that the new mint would perform essentially all functions involved in coin production, starting with the receipt of virgin metal and proceeding through the process steps to the production, storage and shipment of finished coins and medals. Necessary administrative and production support space and facilities are to be included in the mint, including a tourists¹ observation gallery.

The following specific functions/space requirements are planned for inclusion in the new mint:

### a. Basic Functions

Melting and casting of various metals and metal alloys, ingot hot rolling, scarfing, strip intermediate rolling, strip finish rolling, strip slitting, blanking, blank annealing and cleaning, upsetting, coining, counting and bagging, packaging in the case of proof coins and medals, and coin storage.

### b. Direct Support Functions

Assay and quality control, die production from the hub stage, building and production equipment maintenance and repair, shipping and receiving (coinage metal, coins and supplies) and warehousing.

### c. Administrative Support Functions

Mint Staff (Superintendent, Deputy Superintendent, Accounting, Automatic Data Processing, Personnel, Supply and Purchasing, Safety and Security), visitors' gallery, numismatic sales, cafeteria, conference rooms and training areas, vehicle parking (employees and visitors), and other miscellaneous office space.

Current planning for the new mint is based on completion of both construction and installation of production equipment by mid-1979. After a phase-in operational period, and relocation of equipment, furniture, supplies and personnel from the present Denver Mint, full operation of the new mint is planned to commence in early 1980.

The new mint is being planned for year 1980 production capacity of 10.5 billion domestic coins per year and 25 million proof coins and medals per year, on the basis of operating the facility 3 shifts per day, 5 days per week, 240 days per year. The new mint would be designed and constructed to provide space for expansion of critical operations and to provide for reasonable expandability of the entire facility to

accommodate increased production requirements up to 28 billion coins per year, as they develop in future years. Specifically, floor space will be provided initially to allow for coinage capacity to be increased to 15.7 billion coins per year.

In a study completed in May of 1969, the Treasury Department concluded that the total demand for domestic coins in 1980 would be 12 billion coins per year. More recent studies and projections indicate that the total demand by 1980 may be as high as 18 billion coins per year. Production capacities of the existing mints at Philadelphia and Denver, and the Assay Office in San Francisco, fall far short of the 1980 coin requirements. A new mint will be required with a capacity of approximately 10.5 billion coins per year by 1980. Building space and outside areas in the present United States Mint institutions, including the present Denver Mint, which has a capacity of about 4.0 billion coins per year, are saturated, and it is not feasible to expand these facilities.

The basic purpose and long-term objective of this program is to provide building space and industrial plant capacity to assure the production of high quality coins in sufficient quantities to meet the requirements of the economic activities of the people of the United States. A secondary purpose is to provide a replacement facility for the present Denver Mint. Although the present mint is used effectively for producing coins, the building and production equipment are outdated, the industrial processes and material flows are compromised, and the facility does not provide a suitable, modern environment for mint production employees.

The assumptions on which planning for the new mint are based are:

- a. Coins made of metal and in approximately the same denominations as those in use in 1974 will continue to be required to support the economy of the United States.
- b. Coinage demand will continue to grow and will be in the range of 15-20 billion coins per year by 1980.

The problems that are likely to be encountered in completing this new mint project are the normal technical ones associated with the design, construction and equipping of a large industrial plant. These problems relate to changes in technology during the life of the project which could have an effect on the particular items of production process equipment to be procured and installed which, in turn, could create desired changes in the buildings and utilities support system. The opportunities present in this project are to plan, program and anticipate so as to minimize the effect of technological changes, and to produce a modern, efficient mint with the inherent flexibility to accommodate changed production requirements, techniques and processes over the life of the structures.

Anticipated changes in productivity in the absolute are from a

present capacity of 4 to 5 billion coins per year to 10.5 billion coins per year initially. This increase in capacity is attributable primarily to an expansion of production space and an increase in the numbers of process machines. However, due to automation, improved materials handling and provision of more efficient machinery, it is anticipated that productivity per employee will be increased by about 50 percent.

The areas of uncertainty, which may cause plans to change, involve coinage demand and the future compositions and denominations of coins. These uncertainties can be accommodated by careful planning and design so that the new mint has the built-in flexibility to provide efficient manufacturing space for a long period with minimal alterations.

The only major program change affecting the new mint project at this time is the legislation which has been presented to the Congress authorizing the Secretary of the Treasury to change from copper 1c pieces to aluminum pennies. Because this change would have considerable impact on the coinage metal strip production portion of the new facility, this part of the project is being held in abeyance until resolution of the penny composition question.

Other than the legislation discussed in the previous paragraph, there are no recommendations for changes in legislation, executive orders, OMB directives, etc. that would facilitate the completion of the new Denver Mint.

# NEW DENVER MINT OBJECTIVES STATEMENTS FISCAL YEAR 1976

Complete design of production process.

Complete site/buildings design.

Award contracts for major production process equipment items.

Award contract for site preparation, including building foundations.

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### NEW DENVER MINT PROGRAM ANALYSIS DOCUMENT

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The basic purpose and long-term objective of this program is to provide building space and industrial plant capacity to assure the production of high quality coins in sufficient quantities to meet the requirements of the economic activities of the people of the United States. A secondary purpose is to provide a replacement facility for the present Denver Mint. Although the present mint is used effectively for producing coins, the building and production equipment are outdated, the industrial processes and material flows are compromised, and the facility does not provide a suitable, modern environment for mint production employees.

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The areas of uncertainty, which may cause plans to change, involve coinage demand and the future compositions and denominations of coins. These uncertainties can be accommodated by careful planning and design so that the new mint has the built-in flexibility to provide efficient manufacturing space for a long period with minimal alterations.

The only major program change affecting the new mint project at this time is the legislation which has been presented to the Congress authorizing the Secretary of the Treasury to change from copper 1¢ pieces to aluminum pennies. Because this change would have considerable impact on the coinage metal strip production portion of the new facility, this part of the project is being held in abeyance until resolution of the penny composition question.

Other than the legislation discussed in the previous paragraph, there are no recommendations for changes in legislation, executive orders, OMB directives, etc. that would facilitate the completion of the new Denver Mint.

### NEW DENVER MINT OBJECTIVES STATEMENTS FISCAL YEAR 1976

Complete design of production process.

Complete site/buildings design.

Award contracts for major production process equipment items.

Award contract for site preparation, including building foundations.

Sent via telecopier 3/19/74 @ 1:25 P.M. to Regis Miller - Washington.

### NEW DENVER MINT

#### PLANNING CRITERIA

#### Project Description 1.

The new Denver Mint will be primarily an industrial/manufacturing facility with the mission of producing domestic coins ranging in denomination from 1¢ through 1\$, plus some production of proof coins and medals. The Mint will perform essentially all functions involved in coin production, starting with the receipt of virgin metal and proceeding through the flow process steps to the production, storage, and shipment of finished coins and medals. Necessary administrative and production support space and facilities are to be included in the Mint, including the accommodation of public visitors.

The following specific functions/space requirements are to be included in the new Denver Mint:

#### Basic Functions a.

Melting and casting, ingot hot rolling, scarfing, strip intermediate rolling, strip finish rolling, strip slitting, blanking, blank annealing and cleaning, blank upsetting, coining, counting and bagging, packaging in the case of proof coins and medals, and coin storage.

#### Direct Support Functions Ъ.

Assay and quality control, die production from the Hub stage, building and production equipment maintenance and repair, shipping and receiving (coinage metal, coins, and supplies) and warehousing.

#### Administrative Support Functions C.

Mint Staff (Superintendent and Deputy Superintendent, Accounting and ADP, Personnel, Supply and Purchasing, Safety and Security), visitors gallery, numismatic sales, cafeteria, conference rooms and training areas, vehicle parking (employees and visitors), and other miscellaneous office space.

2 34,75 10-) - July eguinarian production Parameters (Annual Rasis)

Production Parameters (Annual Basis)

Domestic Coin Production

Quantity Denomination 6,780,000,000 1¢ 450,000,000 950 ans are

2. 19135m

De	nominat	ion	Quantity
	10¢	220,000	~ 160,000,000
	25¢		80,000,000
	50¢	55 m	40,000,000
	\$ 1	55, on	40,000,000
Other	coins	160,000	120,000,000
	10,	500,000,	7,670,000,000

Should and to !!

b. Proof Coin and Medal Production

25,000,000 pieces total.

3.5 million set Rellers

#### c. Foreign Coin Production

Although foreign coins will be produced, no capacity identified to such production will be included in the Denver Mint. Excess capacity available from planned domestic and proof coin programs will be utilized for foreign coin programs as can be made available.

#### d. Shift Basis

For determining capacity requirements, planned shift basis will be 2 shifts per day, 5 days per week, 240 days per year, except that melting and casting will be operated 3 shifts per day, 5 days per week.

### e. Melting and Casting

Denver shall have the capacity to produce ingots for concurrent annual production of:

9,280,000,000

9,000,000,000 bronze 1¢ coins 1,500,000,000 cupro-nickel 5¢ coins 9,000,000 pounds of cupro-nickel strip for use at the Philadelphia Mint in producing bonded strip material for clad coins.

No capacity for melting and casting silver alloys is to be included.

Planning in this area shall encompass provisions for expanding all melting and casting related functions by 50%. Building and equipment layout shall be so arranged as to accommodate and relate to this future expansion plan.

### f. Strip Preparation

All annealing, rolling mills, strip overhaul, surface preparation, slitter, and other strip preparation equipment shall have the capacity for concurrent annual production of strip required for:

9,280, ov, no 9,000,000,000 bronze 1¢ coins

1,500,000,000 cupro-nickel 5c coins

9,000,000 pounds of cupro-nickel strip for Philadelphia

Adequate in-process storage shall be provided for operation of individual equipment stations on 3-shifts per day basis, in addition to that determined to be required in normal dayto-day operation.

### g. Blank Preparation

This function shall have the capacity to support the processing of an adequate number of blanks to produce concurrently on an annual basis:

6,780,000,000	1-0	coins
450,000,000	5-¢	coins
160,000,000	10-¢	coins
80,000,000	25-¢	coins
40,000,000	50-¢	coins
40,000,000		coins
120,000,000	Other	coins

Building floor space and utilities and services will be provided to adequately support the installation of additional equipment to increase production of blanks to support the total annual production of coins at:

9,000,000,000	1-c coins
1,500,000,000	5-c coins
160,000,000	10-c coins
80,000,000	25-¢ coins
40,000,000	50-¢ coins
40,000,000	\$1 coins
120,000,000	Other coins

# Coining and Bagging

Production capacity shall be equivalent to that established for Blank Preparation. Fullding space, utilities, and services will also be provided to afford installation of coin presses, counting and bagging equipment and other auxiliary equipment necessary to increase production of coins to the annual rate indicated under Blank Preparation.

# i. Strip Bonding

Coinage strip bonding operation will not be included in the Denver Mint. All cupro-nickel/copper strip for 10¢, 25¢,

on lar

50¢, and \$1 coins will be provided by the Philadelphia Mint or others. Bonded coinage strip of other alloys will be purchased.

The design for the new mint will include provisions for the future addition of a strip bonding facility, if and when the need arises.

### 3. General Planning Factors

- a. Separate buildings, or separate portions of buildings, will be provided for:
  - (1) Melting and casting, slab rolling, and surface milling
  - (2) Strip preparation, blank preparation, coining and coin storage
  - (3) Administrative offices and support functions
- b. Isolate and provide noise depressant areas for such operations as metal make-up, rolling, blank preparation, and coining.
- c. Production concept to be single story sequential flow with minimum vertical handling of production materials, unless site specifics and engineering economic analysis dictate otherwise.
- d. The entire facility will be planned and designed to provide for maximum reasonable future expansion. Where appropriate, foundations, columns, beams and building systems (electrical, mechanical, process liquids, etc.) will be designed to meet expansion requirements.
- e. Vehicle parking area for employees and visitors will be separate. Spaces for 450 employee automobiles, 250 visitor automobiles and 10 visitor busses will be provided.
- f. Useable production equipment and machinery in good enough operating condition to have a remaining life expectancy of five years will be relocated from the present Denver Mint.
- g. Need for operating and maintenance spares on major items of production equipment will be determined prior to bid solicitation, and an adequate number of such spares will be procured concurrently with the equipment.
- h. Storage requirements for metal for melting and casting will be equivalent to 30 days production.
- Storage requirements for finished coins will be equivalent to 45 days production.

- j. Adequate surge storage space will be provided between various operations to allow for interrupted production due to equipment failures, maintenance problems, and other factors.
- k. The production process will be designed and laid out to provide easy access for maintenance of equipment.
- Administrative/support area layouts will be based on movable partitions, except where fixed masonry partitions are required or are more feasible, in such areas as stairwells, elevator cores and bathrooms.

Dellasa Unterose 2. Mossion a. Basel on two shift three shifte doily operation for melling onl carting and two shift greation of all the foreigner; the sew mint is to constructed and initial production capaily of 10.5 Cillian domestie coins per year house \$ 1. When fully eyenged, Il for processer, the most in In Love a production capacity of 15.7 bellen coins per year. En The mist also is & constructed and rockoging and Distribution of 25 million must coins and medale per year.

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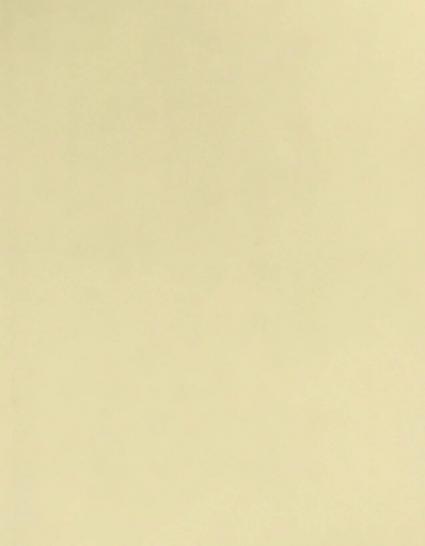
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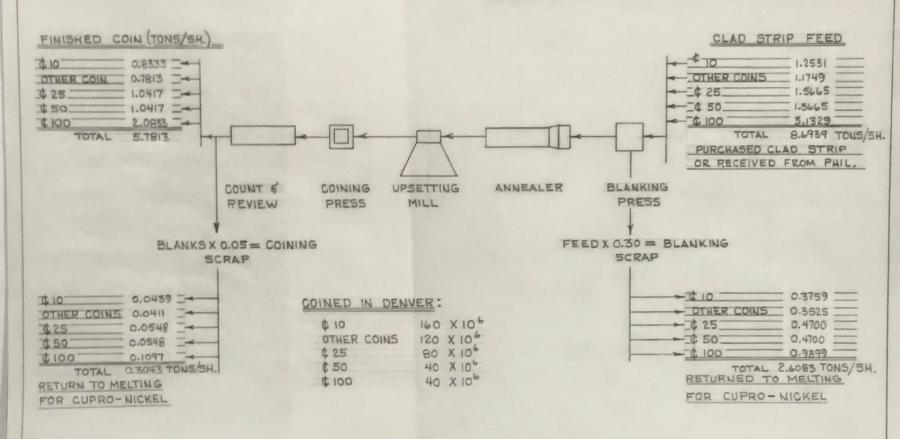
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COINAGE DENVER: 6.78XID YEAR DESIGN CAPACITIES & MATERIAL FLOW IN TONS PER HOUR PHILADELPHIA: 2.22 XIO YEAR BRONZE (95% CU-5% ZN.) PRODUCTION FOR 523 SHIFTS PER YEAR 523 SHIFTS ON MELTING & CASTING ~ 3 SHIFT DAY 348.67 SHIFTS ON ALL FOLLOW PROCESSES ~ 2 SHIFT/DAY NEW FEED = 7.3751 TONS/HR. SHIFT ADJ. SCRAP RETURN = 7.4580 TONS/HR.  $14.8331 \times 0.98 \rightarrow 14.5364 \times 0.97 \rightarrow 14.003 \times 0.95 \times 2 \rightarrow 20.0930 \times 0.98 \rightarrow 17.3282 \rightarrow 17.3282 \times 0.96$ RE-HEAT FURNACE \*\* SCRAP RETURN (TONS/HR) SLAB MELTING HOLDING SLAB BREAK COOLER SCARFING INTERMED. FINISH 3 SHIFT 2 SHIFT CASTING FURNACE FURNACE GROP DOWN ROLLS ROLLS SLIT MACHINE ROLLS MACHINE 0,2967 0.4451 0.436 0.6542 0.7050 1.0575 0.2679 0.4019 1.5752 2.3629 0.4620 0.693 3.3270 4.9905 0.0957 0.1436 0.2924 0.4386 (11.6446) 7.4580 TONS/HOUR COUNT 5 COINING ANNEALER BLANKING REVIEW PRESS PRESS X11.6446 = 8.7723 0.95 X 8.7723 UPSETTING MILL BLANKS TO COINING NOTES: 8.3337 FINISHED COIN TO STORAGE 2.22 X 11.6446 THE 0.0957 TOUS/HR. FOR 3 SHIFTS OR THE 0.1436 TOUS/HR. FOR 2 SHIFTS WILL BE SCRAP FROM BLANKS RETURNED BY PHILADELPHIA 2.8723 TO BLANK STORAGE \*\* 2. THE SCRAP RETURNS ON BOTH 2ND \$3RD SHIFT BASIS ARE 2.7287 95% ASSUMED AS LISTED SO THAT CAPACITIES OF THE RETURN MECHANISMS FINISH COIN CAN BE COMPUTED EITHER WAY.

# DESIGN CAPACITIES & MATERIAL FLOW IN TONS PER SHIFT CLAD COINAGE (91.67% CU-8.33% NI.), \$10,25,50,100 \$0THER COINS

480 SHIFTS BLANKING & COINING ~ 2 SHIFTS/DAY



COINAGE DENVER: 450 XIO YEAR DESIGN CAPACITIES & MATERIAL FLOW IN TONS PER HOUR PHILADELPHIA: 1.05 XIO YEAR CUPRO - NICKEL (75% CU.- 25% NI.) FOR 197 SHIFTS/YEAR 197 SHIFTS ON MELTING & CASTING ~ 3 SHIFTS / DAY 131.33 SHIFTS ON ALL FOLLOWING PROCESSES - 2 SHIFT/DAY 8.2942 TONS/HR. NEW FEED = SHIFT ADJ. SCRAP RETURN = 6.5822 TONS/ HR. X0.98 → 14.5789 X 0.97 → 14.1415 X0.95X = -20.1516 X 0.98 → 19.7486 X 0.85 → 16.7863 X0.96 RE-HEAT FURNACE \*\*SCRAP RETURN (TONS/HR.) INTERMED. FINISH TRIME SLAB 3 SHIFT 2 SHIFT MELTING HOLDING CASTING SLAB BREAK SCARFING POLLS SLIT FURNACE MACHINE DOWN ROLLS COOLER MACHINE ROLLS FURNACE CROP 4.2830 TO BELL 0.4463 ANNEAL THEN SHIP 0.4561 IN COILS TO PHIL. 1.0607 0.4030 2.9627 0,2899 0.0828 0.1242 (8.2823) 6.7754 TONS/HE 6.5822 ACTUAL RETURN ANNEALER BLANKING SCRAP COUNT COINING

PRESS

0.95 X 2.4847

1. ON THE 3RD SHIFT BASIS THERE WILL BE 0.1932 TOUS PER HOUR OF SCRAP GENERATED IN PHIL. E PEMELTED IN PHIL.

NOTES:

REVIEW

2.3605 FINISHED COIN TO STORAGE

\* # 2. THE SCRAP RETURNS ON BOTH 2ND \$ 3 RD SHIFT BASIS ARE LISTED SO THAT CAPACITIES OF THE RETURN MECHANISMS CAN BE COMPUTED EITHER WAY. 5.7976 TO BLANK STORAGE FOR PHIL.

15 X 8.2823

x8.2823 = 2.4847

UPSETTING MILL

FINISHED COIN

PRESS

0.70XII.8318

Flow Chartes - onersize the Belongo in 8x9 Then 14



Recepent of Reso File



December 18, 1974

Mr. Fred Schmidt
Documents Librarian
Colorado State University
Fort Collins, Colorado 80523

Dear Mr. Schmidt:

Herewith is a draft of the Denver Mint Environmental Impact Statement which was requested in your letter to Mr. Anthony DiSilvestre.

I have also included a copy of the Final Revised Environmental Impact Statement. If there is anything more I can do for you, let me know.

Sincerely,

Frank W. Rhea Facilities Project Manager

Encl. (2)

#### THE STATE HISTORICAL SOCIETY OF COLORADO

State Archaeologist, 5A Ketchum Bldg., University of Colorado, Boulder 80302

Mr. Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

RECEIVED

JUL 1 6 1974

OFFICE OF SUPERINTENDENT U. S. MINT AT DENVER

I have read the Environmental Impact Statement prepared for the new United State Mint. At this time I have no recommendation to make concerning the suitability of either of the proposed sites. What is required proir to such an assessment is an on-the-ground archaeological survey to determine if any archaeological sites are endangered. This office is prepared to contract for such a survey which should take no longer than one day. The expenses for such a survey must be obtained from the funds allocated to the mint project as this office does not have the available personnel. We contract with suitably qualified archaeologists at a rate of \$50. per day plus all expenses.

Sincerely

James J. Hester

Acting State Archaeologist

#### United States Senate

WASHINGTON, D.C. 20510 June 10, 1974

Mr. Frank W. Rhea Facilities Project Manager Bureau of the Mint Denver Mint Denver, Colorado 80204

Dear Mr. Rhea:

Thank you for the copy of the Final Revised Environmental Impact Statement concerning the construction of the new Denver mint. I shall keep it on file with the other data on this project.

It is my hope that a final selection be made as soon as possible to avoid any suggestion that the mint should be moved to a location outside the state.

Sincerely,

Floyd K. Haskell

United States Senator

FKH/crc

Paul B. Kannowski, Ph.D. Director Institute for Ecological Studies University of North Dakota Grand Forks, North Dakota 58201

Dear Dr. Kannowski:

Thank you for your letter of June 11, 1974, requesting a copy of the Final Revised Environmental Impact Statement for the new United States Mint in Denver, Colorado.

A copy of the Statement is enclosed.

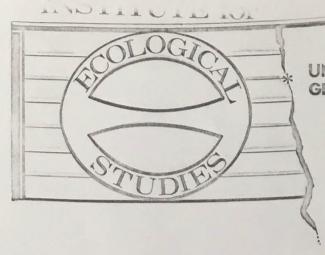
Sincerely,

(Signed) Mary Brooks

Mary Brooks Director of the Mint

Enclosure

cc: Mr. Rheat



UNIVERSITY OF NORTH DAKOTA GRAND FORKS, NORTH DAKOTA 58201 701 \* 777-2851

11 June 1974

Office of the Director Bureau of the Mint Room 2064 U.S. Treasury Department 15th Street and Pennsylvania Avenue, NW Washington, DC 20220

#### Gentlemen:

I have recieved information that the Final Revised Environmental Impact Statement for the location of a new United States Mint at Denver, Colorado is now available. I would greatly appreciate having a copy of this statement, which will be added to our Environmental Resource LIbrary for use by our students and faculty, and by area citizens.

Thank you very much for any help you can give me on this request.

Sincerely yours,

Paul B. Kannowski, Ph.D.

Director

PBK: cyb

UNIVERSITY LIBRARY

June 19, 1974

Facitities Project Manager Bureau of the Mint Denver Mint 320 W. Colfax Avenue Denver, Colorado

#### Greetings:

We are compiling an Index of information on the Southwestern environment and are presently atempting to locate material. If possible, we would like to obtain a copy of the following:

the final revised environmental impact statement on the CONSTRUCTION OF THE NEW U. S. MINT - DENVER COLORADO.

We appreciate any help you might be able to give.

Sincerely,

Brian E. Lantz

Southwestern Environment Index University Library Arizona State University

Tempe, Arizona 85281

BL/el

maled 14

June 18, 1974

Facilities Project Manager Bureau of the Mint Denver Mint 320 W. Colfax Avenue Denver, Colorado

Subject:

Final Revised Environmental Impact Statement for the Location and, in General Terms, the Construction of a new United States Mint at Denver, Colorado

#### Gentlemen:

Recently it was advertised in the Federal Register that an Environmental Impact Statement was available for comment and review.

It is requested that a copy of the subject statement be forwarded to me:

Donald R. Millert, Marketing and Sales Manager Limnetics, Inc. 6132 W. Fond du Lac Avenue Milwaukee, Wisconsin 53218

Sincerely,

LIMNETICS, INC.

Donald R. Millert,

Marketing and Sales Manager

nald f. Millert

DRM/bjs



UNITED STATES MINT
DENVER, COLO. 80204
June 4, 1974

The Honorable Peter H. Dominick United States Senate Washington, D. C. 20510

Dear Senator Dominick:

Mrs. Brooks has asked me to forward a copy of the FINAL Revised Environmental Impact Statement for the New United States Mint at Denver.

Sincerely,

Frank W. Rhea Facilities Project Manager Bureau of the Mint Denver Mint



UNITED STATES MINT
DENVER, COLO. 80204

June 4, 1974

The Honorable Frank E. Evans House of Representatives Washington, D. G. 20515

Dear Mr. Evans:

Mrs. Brooks has asked me to forward a copy of the FINAL Revised Environmental Impact Statement for the New United States Mint at Denver.

Sincerely,

Frank W. Rhea Facilities Project Manager Bureau of the Mint Denver Mint



UNITED STATES MINT DENVER, COLO. 80204 June 4, 1974

The Honorable Floyd K. Haskell United States Senate Washington, D. C. 20510

Dear Senator Haskell:

Mrs. Brooks has asked me to forward a copy of the FINAL Revised Environmental Impact Statement for the New United States Mint at Denver.

Sincerely,

Frank W. Rhea Facilities Project Manager Bureau of the Mint Denver Mint



UNITED STATES MINT
DENVER, Colo. 80204
June 4, 1974

The Honorable Donald G. Brotzman House of Representatives Washington, D. C. 20515

Dear Mr. Brotzman:

Mrs. Brooks has asked me to forward a copy of the FINAL Revised Environmental Impact Statement for the New United States Mint at Denver.

Sincerely,

Frank W. Rhea Facilities Project Manager Bureau of the Mint Denver Mint



MAY 29 1974

Director
Office of Federal Activities
Environmental Protection Agency
401 M Street S. W.
Washington, D. C. 20460

Dear Sir:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Morien & Brechto

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Mr. John A. Green
Regional Administrator VIII
U. S. Environmental Protection Agency
Suite 900, Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Dear Mr. Green:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Marien & Bredto

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Office of the Secretary
Attn: Coordinator
Environmental Quality Activities
U. S. Department of Agriculture
Washington, D. C. 20250

Dear Sir:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Waren & Bredto

Warren F. Brecht
Assistant Secretary for Administration



MAY 29 1974

Omaha District, Corps of Engineers 7410 U. S. Post Office & Court House Omaha, Nebraska 68102

Dear Sir:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht Assistant Secretary for Administration



WASHINGTON, D.C. 20220

MAY 29 1974

Office of the Deputy Asst. Secretary for Environmental Affairs U. S. Department of Commerce Washington, D. C. 20230

Dear Sir:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht

Assistant Secretary for Administration



WASHINGTON, D.C. 20220

MAY 29 1974

Mr. Dwight E. Neill Director, State of Colorado, Division of Commerce & Development Department of Local Affairs 600 State Capitol Annex Denver, Colorado 80203

Dear Mr. Neill:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Waren & Breg

Warren F. Brecht Assistant Secretary for Administration



WASHINGTON, D.C. 20220

MAY 29 1974

Office of Environmental Affairs
Office of the Asst. Secretary for
Administration & Management
Department of Health, Education & Welfare
Washington, D. C. 20202

Dear Sir:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Morren & Bredto

Warren F. Brecht
Assistant Secretary for Administration



MAY 29 1974

Regional Administrator VIII
Environmental Clearance Officer
U. S. Dept. of Housing & Urban Development
Samsonite Building
1051 South Broadway
Denver, Colorado 80209

Dear Sir:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Marien & Bredto

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Mr. Robert L. Kessler
Regional VIII Secretarial Representative
U. S. Department of Transportation
Prudential Plaza, Suite 1822
1050 - 17th Street
Denver, Colorado 80202

Dear Mr. Kessler:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Morren ZBrechto

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Director
Office of Environmental Project Review
Department of the Interior
Interior Building
Washington, D. C. 20240

Dear Sir:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Office of Architectural and
Environmental Preservation
Advisory Council on Historic Preservation
Suite 430
1522 K Street N. W.
Washington, D. C.

Dear Sir:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Morien & Breitto

Warren F. Brecht
Assistant Secretary for Administration



MAY 29 1974

Mr. Stephen H. Hart Colorado State Liaison Officer State Historical Society of Colorado 200 - 14th Avenue Denver, Colorado 80203

Dear Mr. Hart:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Office of the Director
Office of Economic Opportunity
1200 - 19th Street N. W.
Washington, D. C. 20506

Dear Sir:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Mr. Hector Santa-Anna Regional Director Office of Economic Opportunity Region VIII, Federal Building Denver, Colorado 80202

Dear Mr. Santa-Anna:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren & Bredto

Warren F. Brecht

Assistant Secretary for Administration



MAY 29 1974

Mr. Robert D. Farley
Executive Director
Denver Regional Council of Governments
1776 South Jackson Street
Suite 200
Denver, Colorado 80210

Dear Mr. Farley:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Mr. Harry L. Parrish, Jr. Executive Director Regional Transportation District 56 Steele Street Denver, Colorado 80206

Dear Mr. Parrish:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Marien & Breit

Warren F. Brecht Assistant Secretary for Administration



WASHINGTON, D.C. 20220

MAY 29 1974

Mr. William E. Korbitz
Manager, Metropolitan Denver Sewage
Disposal District No. 1
3100 East 60th Avenue
Commerce City, Colorado 80022

Dear Mr. Korbitz:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Mr. William H. McNichols, Jr. Mayor, City and County of Denver City and County Building Denver, Colorado 80202

Dear Mayor McNichols:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht Assistant Secretary for Administration



WASHINGTON, D.C. 20220

MAY 29 1974

Mr. Charles E. Shumate Executive Director State Department of Highways 4201 East Arkansas Avenue Denver, Colorado 80222

Dear Mr. Shumate:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Mr. James L. Ogilvie Manager, Denver Board of Water Commissioners 144 West Colfax Avenue Denver, Colorado 80202

Dear Mr. Ogilvie:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht Assistant Secretary for Administration



WASHINGTON, D.C. 20220

MAY 29 1974

Mr. Charles J. Burns
President, Park Hill Improvement Ass'n.
1735 Kearney Street
Denver, Colorado 80220

Dear Mr. Burns:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht
Assistant Secretary for Administration



MAY 29 1974

Mr. James J. Richey Mayor, City of Lakewood 1580 Yarrow Street Lakewood, Colorado 80215

Dear Mayor Richey:

Enclosed for your information is a copy of the

Final Revised Environmental Impact Statement concerning
the proposed new Denver Mint prepared in accordance
with Section 102(2)(C) of the National Environmental
Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht
Assistant Secretary for Administration



WASHINGTON, D.C. 20220

MAY 29 1974

Greater Park Hill Community, Inc. 2823 Fairfax Denver, Colorado 80207

Dear Sir:

Enclosed for your information is a copy of the

Final Revised Environmental Impact Statement concerning
the proposed new Denver Mint prepared in accordance
with Section 102(2)(C) of the National Environmental
Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht
Assistant Secretary for Administration



MAY 29 1974

Mr. Karl G. Williams County Manager, Jefferson County 1700 Arapahoe Golden, Colorado 80419

Dear Mr. Williams:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren & Bredto

Warren F. Brecht
Assistant Secretary for Administration



MAY 29 1974

Edward G. Dreyfus, M.S., M.P.H.
Director, State of Colorado
Department of Health
4210 East 11th Avenue
Denver, Colorado 80220

Dear Dr. Dreyfus:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht
Assistant Secretary for Administration



WASHINGTON, D.C. 20220

MAY 29 1974

Mr. James H. Mullen Staff Project Manager Denver Chamber of Commerce 1301 Welton Street Denver, Colorado 80204

Dear Mr. Mullen:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Waren & Bredto

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Mr. Robert N. Linrothe
Director, Economic Development
City of Aurora
1470 Emporia Street
Aurora, Colorado 80010

Dear Mr. Linrothe:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren & Breeft

Warren F. Brecht
Assistant Secretary for Administration



WASHINGTON, D.C. 20220

MAY 29 1974

Ms. Loree Young
President, Denver League of Women's Voters
2200 West Alameda
Denver, Colorado 80223

Dear Ms. Young:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht
Assistant Secretary for Administration



MAY 29 1974

Mr. Farrell Copelin Environmental Impact Coordinator National Park Service 655 Parfait Street Lakewood, Colorado 80215

Dear Mr. Copelin:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974,

Sincerely,

Warren & Breeft

Warren F. Brecht Assistant Secretary for Administration



MAY 29 1974

Mr. Mike Byrne
Adams County Chamber of Commerce
5911 North Washington
Denver, Colorado 80216

Dear Mr. Byrne:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Warren F. Brecht
Assistant Secretary for Administration



MAY 29 1974

Mr. Philip H. Schmuck Director, Colorado Division of Planning 1575 Sherman Street Denver, Colorado 80203

Dear Mr. Schmuck:

Enclosed for your information is a copy of the

Final Revised Environmental Impact Statement concerning
the proposed new Denver Mint prepared in accordance
with Section 102(2)(C) of the National Environmental
Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Morren & Breeft

Warren F. Brecht

Assistant Secretary for Administration



MAY 29 1974

Mr. Tom McGinity 3310 Albion Denver, Colorado 80207

Dear Mr. McGinity:

Enclosed for your information is a copy of the Final Revised Environmental Impact Statement concerning the proposed new Denver Mint prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969.

It is anticipated that a decision on the location of the Mint will be made after July 7, 1974.

Sincerely,

Women & Breeft

Warren F. Brecht

Assistant Secretary for Administration

Final - mailed 5/6/4

#### Addresses of Recipients of Draft Revised Environmental Impact Statement

#### NEW DENVER MINT

Director Office of Federal Activities Environmental Protection Agency 401 M Street S. W. Washington, D. C. 20460

Mr. John A. Green
Regional Administrator VIII
U. S. Environmental Protection Agency
Suite 900, Lincoln Tower
1860 Lincoln Street
Denver, Colorado 80203

Office of the Secretary
Attn: Coordinator
Environmental Quality Activities
U. S. Department of Agriculture
Washington, D. C. 20250

Executive Director of Civil Works
Office of the Chief of Engineers
U. S. Army Corps of Engineers
Washington, D. C. 20314

Omaha District, Corps of Engineers 7410 U. S. Post Office & Court House Omaha, Nebraska 68102

Office of the Deputy Asst. Secretary for Environmental Affairs U. S. Department of Commerce Washington, D. C. 20230

Mr. Dwight E. Neill
Director, State of Colorado, Division
of Commerce & Development
Department of Local Affairs
600 State Capitol Annex
Denver, Colorado 80203

Office of Environmental Affairs
Office of the Asst. Secretary for
Administration & Management
Department of Health, Education &
Welfare
Washington, D. C. 20202

Regional Administrator VIII
Environmental Clearance Officer
U. S. Department of Housing & Urban
Development
Samsonite Building
1051 South Broadway,
Denver, Colorado 80209

Mr. Robert L. Kessler
Region VIII Secretarial Representative
U. S. Department of Transportation
Prudential Plaza, Suite 1822
1050 - 17th Street
Denver, Colorado 80202

Director
Office of Environmental Project Review
Department of the Interior
Interior Building
Washington, D. C. 20240

Office of Architectural &
Environmental Preservation
Advisory Council on Historial Preservation
Suite 430
1522 K Street N. W.
Washington, D. C.

Mr. Stephen H. Hart
Colorado State Liaison Officer
State Historical Society of Colorado
State Museum
200 - 14th Avenue
Denver, Colorado 80203

Mr. Michael J. Norton Regional Administrator Region VIII, General Services Administration Denver Federal Center, Bldg. 41 Denver, Colorado 80225

Office of the Director Office of Economic Opportunity 1200 - 19th Street N. W. Washington, D. C. 20506 Mr. Hector Santa-Anna
Regional Director
Office of Economic Opportunity
Region VIII, Federal Building
1961 Stout Street
Denver, Colorado 80202

Mr. Robert D. Farley
Executive Director
Denver Regional Council of
Governments
1776 South Jackson Street
Suite 200
Denver, Colorado 80210

Mr. Harry L. Parrish, Jr.
Executive Director
Regional Transportation District
56 Steele Street
Denver, Colorado 80206

Mr. William E. Korbitz
Manager, Metropolitan Denver Sewage
Disposal District No. 1
3100 East 60th Avenue
Commerce City, Colorado 80022

Mr. Harry R. Woodward
Director, State of Colorado, Division
of Wildlife
6060 Broadway
Denver, Colorado 80216

Mr. L. Scott Tucker
Executive Director
Urban Drainage & Flood Control District
181 East 56th Avenue
Denver, Colorado 80216

Mr. W. H. McNichols, Jr.
Mayor, City & County of Denver
City and County Building
Denver, Colorado 80202

Mr. Charles E. Shumate
Executive Director
State Department of Highways
4201 East Arkansas Avenue
Denver, Colorado 80222

Mrs. Clifford Gobble
President, Colorado Federation of
Women's Clubs
1726 Champa
Denver, Colorado 80212

Mr. J. L. Ogilvie Manager, Denver Board of Water Commissioners 144 West Colfax Avenue Denver, Colorado 80202

Beatrice E. Willard, Ph. D. John Marr, Acting President, Thorne Ecological Institute 1405 Broadway Boulder, Colorado 80302

Mr. Charles J. Burns - Met cal fe President, Park Hill Improvement Assn. 1735 Kearney Street Denver, Colorado 80220

Mr. James J. Richey
Mayor, City of Lakewood
1580 Yarrow Street
Lakewood, Colorado 80215

Mr. Roger Hansen
Executive Director
Rocky Mountain Center on Environment
4260 East Evans Avenue
Denver, Colorado 80222

Mr. Felix L. Sparks
Director, Colorado Water Conservation Board
1845 Sherman
Denver, Colorado 80203

Greater Park Hill Community, Inc. 2823 Fairfax Denver, Colorado 80207

Mr. Karl G. Williams County Manager, Jefferson County 1700 Arapahoe Golden, Colorado 80419

Mr. James H. Mullen Staff Project Manager Denver Chamber of Commerce 1301 Welton Street Denver, Colorado 80204

Edward G. Dreyfus, M. D., M.P.H.
Director, State of Colorado Dept. of
Health
4210 East 11th Avenue
Denver, Colorado 80220

#### DENVER REGIONAL COUNCIL OF GOVERNMENTS

#### REGIONAL PLANNING ADVISORY COMMITTEE

# prolit

#### MARCH 1974

JURISDICTION

MEMBER

ALTERNATE

Adams County

Merle Hoeft

4201 E. 72nd Avenue

Commerce City, Colorado 80022

Arapahoe County

Don Paul

5606 South Court Place Littleton, Colorado 80120

Boulder County

Vincent Porreca 2045 L3th Street P.O. Box 471

Boulder, Colorado 80302

Denver, City & County

Tony Jansen

Room 300

1445 Cleveland Pl. Denver, Colorado

80202

Denver, City & County

Alan Canter

Room 300

1445 Cleveland Pl. Denver, Colo. 80202

Jefferson County

(vacant)

CITIES AND TOWNS

Arvada, City

Ed Gauf

8101 Ralston Road

Arvada, Colorado 80002 Attn: Bill Henderson

Aurora, City

John Arney

-1470 Emporia

Aurora, Colorado 80010

Bennett Town

(vacant)

Boulder City

(vacant)

MEMBER ALTERNATE JURISDICTION Bow Mar, Town (vacant) Robert Sandquist Brighton, City City of Brighton 36 S. Main Street Brighton, Colorado 80601 Broomfield City Tim Heins Vern Chaney #8 Garden Office Center (same) Broomfield, Colo. 80020 Central City (vacant) Cherry Hills Village (vacant) Commerce City Dale Gilbert P.O. Box 159 Commerce City, Colorado 80022 Edgewater City Emmett Lane 9500 W. 14th Avenue Lakewood, Colorado 80215 Englewood City James Supinger 3400 S. Elati Street Englewood, Colorado 80110 Erie Town (vacant) James A. Craddock Federal Heights, City 2955 W. 90th Avenue Denver, Colorado 80221 Glendale, City Catherin Zabller 1735 Gaylord Street Denver, Colorado 80206

Victor Seiferth Golden, City 911 - 10th Street

Golden, Colorado 80401

Greenwood Village Dennis Scholl V

5660 S. Syracuse Circle Englewood, Colorado 80110 Jamestown, Town

(vacant)

Lafayette City

Bill Lampe

201 E. Simpson St.

Lafayette, Colorado 80026

Lakewood, City

Gary Latham

1580 Yarrow

Lakewood, Colorado 80215

Littleton, City

Tom Lofft

2450 W. Main

Littleton, Colorado 80120

Longmont, City

Ken Dell

Planning Director

City Hall

Longmont, Colorado 80501

Louisville, City

Dennis Drumm

Oblinger-Smith Corporation

University Building

Denver, Colorado 80202

Lyons, Town

(vacant)

Morrison, Town

(vacant)

Northglenn, City

Jerome Starling

10969 Irma Drive

Northglenn, Colorado 80234

Sheridan, City

Jim Paddock

Parker & Associates

255 Yuma

Denver, Colorado 80233

Superior, Town

(vacant)

Thornton, City

Duane Tinsley

9471 Dorothy Blvd.

Thornton, Colorado 80229

Westminster, City

John Franklin

Libby Comeaux

3031 W. 76th Avenue (same address)

Westminster, Colorado 80030

Wheat Ridge, City

Walter Rybkowski

11220 W. 45th Ave.

Wheat Ridge, Colorado 80033

#### ASSOCIATES

Dept. of Housing & Urban

Development

Myron G. Eckberg 19th & Stout Streets Denver, Colorado

80202

State Planning Office

Stephen Ellis
524 State Social Services Bldg.
Denver, Colorado

80203

Fed. Aviation Admin.

Federal Aviation Administration

Ed Tatum

10255 East 25th Avenue

Aurora, Colorado

80010

Urban Mass Transit Admin.

Michael Hartman 1050 17th St. Suite 1822

Denver, Colorado

80202

Regional Trans. Dist.

Paul Wichmann 56 Steele Street Denver, Colorado

80206

UNIVERSITY LIBRARY

March 19, 1974

Facilities Project Manager Bureau of the Mint 320 W. Colfax Denver, Colorado 80204

Greetings:

We are compiling an Index of information on the Southwestern environment and are presently atempting to locate material. If possible, we would like to obtain a copy of the following:

revised draft environmental statement on the CONSTRUCTION OF A NEW UNITED STATES MINT, DENVER, COLORADO.

We appreciate any help you might be able to give.

Sincerely,

Brian E. Lantz

Southwestern Environment Index

University Library

Arizona State University

Tempe, Arizona 85281

BL/el

Despy mailed 3/11



UNITED STATES MINT DENVER, Colo. 80204 March 1, 1974

The Honorable Patricia Schroeder House of Representatives Washington, D. C. 20515

Dear Mrs. Schroeder:

Mrs. Brooks has asked me to forward a copy of the DRAFT Revised Environmental Impact Statement for the New United States Mint at Denver and the Press Release of March 6, 1974.

Sincerely,

Frank W. Rhea Buresu of the Mint Facilities Project Manager Denver Mint



UNITED STATES MINT DENVER, CoLo. 80204 March 1, 1974

The Honorable Patricia Schroeder Federal Building Room 1026 Denver, Colorado 80202

Dear Mrs. Schroeder:

Mrs. Brooks has asked me to forward a copy of the DRAFT Revised Environmental Impact Statement for the New United States Mint at Denver and the Press Release of March 6, 1974.

Sincerely,

Frank W. Rhea Bureau of the Mint Facilities Project Manager Denver Mint

The Honorable Frank E. Evans House of Representatives Washington, D. C. 20515

Dear Mr. Evans:

Mrs. Brooks has asked me to forward a copy of the DRAFT Revised Environmental Impact Statement for the New United States Mint at Denver and the Press Release of March 6, 1974.

Sincerely,

Frank W. Rhea Bureau of the Mint Facilities Project Manager Denver Mint

March 1, 1974

The Honorable Donald G. Brotzman Denver Federal Center Building 40 Denver, Colorado 80225

Dear Mr. Brotzman:

Mrs. Brooks has asked me to forward a copy of the DRAFT Revised Environmental Impact Statement for the New United States Mint at Denver and the Press Release of March 6, 1974.

Sincerely,

Frank W. Rhea Bureau of the Mint Facilities Project Manager Denver Mint



UNITED STATES MINT
DENVER, Colo. 80204
Merch 1, 1974

The Honorable Donald G. Brotzman House of Representatives Washington, D. C. 20515

Dear Mr. Brotzman:

Mrs. Brooks has asked me to forward a copy of the DRAFT Revised Environmental Impact Statement for the New United States Mint at Denver and the Press Release of March 6, 1974.

Sincerely,

Frank W. Rhea Bureau of the Mint Facilities Project Manager Denver Mint



UNITED STATES MINT DENVER, COLO. 80204 March 1, 1974

The Honorable Floyd K. Haskell Federal Building, Room 12030 Denver, Colorado 80202

Dear Senator Haskell:

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The Honorable Floyd K. Haskell United States Senate Washington, D. C. 20510

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UNITED STATES MINT
DENVER, Colo. 80204

March 1, 1974

The Honorable Peter H. Dominick United States Senate Washington, D. C. 20510

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Sincerely,

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# The Department of the TREASURY



BUREAU OF THE MINT WASH., D.C. 20220 - W04-5011

HOLD FOR RELEASE ON WEDNESDAY, MARCH 6, 1974

#### TREASURY DEPARTMENT ISSUES DRAFT REVISED ENVIRONMENTAL IMPACT STATEMENT FOR NEW DENVER MINT

The Treasury Department today issued a Draft Revised Environmental Impact Statement for the new Denver Mint. The statement was prepared by the Bureau of the Mint pursuant to Section 102(2)(C) of the National Environmental Policy Act of 1969, and was filed with the Council on Environmental Quality on February 27, 1974.

The proposed new Mint would consist of a combination of high-bay, one-story buildings and multi-story support/administrative buildings, plus parking areas, paved vehicle maneuvering areas, all necessary utilities and landscaping. Total gross building space would be about 700,000 square feet.

The Treasury Department is considering two possible sites for the new Mint, without favoring either location until comments on the proposed action have been received and evaluated. The two sites are (1) the northwest corner of the Park Hill Golf Course in Denver and (2) the northwest corner of the Denver Federal Center in Lakewood.

The new Mint is being planned for a 1980 production capacity of 10.5 billion domestic coins per year and 25 million proof coins and medals per year. It would be designed to provide space for expansion of critical operations and to make possible reasonable expandability of the entire facility to accommodate increased production requirements as they develop in future years.

Copies of the Statement are being sent to appropriate Federal, state, and local agencies and to private organizations which may have an interest. Copies of the Statement are available for inspection during regular working hours at the following locations:

> Facilities Project Manager Bureau of the Mint Denver Mint 320 West Colfax Avenue Denver, Colorado

Office of the Director
Bureau of the Mint
Room 2064
U. S. Treasury Department
15th St. & Pennsylvania Avenue, N. W.
Washington, D. C.

Also, copies are available from the National Technical Information Service, United States Department of Commerce, Springfield, Virginia 22151.

Any comments regarding the proposed project should be submitted by April 22, 1974 to:

Frank W. Rhea
Bureau of the Mint
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

After comments on the Draft Statement have been received and considered, a final environmental impact statement will be prepared and issued by the Treasury Department.

## The Department of the TREASURY

BUREAU OF THE MINT WASH., D.C. 20220 - W04-5011



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OPTIONAL FORM NO. 10 MAY 1982 EDITION GSA FPMR (41 CFR) 191-11.6

UNITED STATES GOVERNMENT

### Memorandum

TO : Frank Rhea, Facilities Project Manager

DATE: February 12, 1974

FROM : Betty Higby, Superintendent

Send to

SUBJECT: Request for information re Environmental Impact Statement

A telephone call was received yesterday from a Mr. Elmer Metcalfe, Jr. (Residence: 2380 Ash, Denver; Residence phone: 333-8867) (Business: Bell Telephone, 1515 Arapahoe, Park Central Bldg., Rm. 650) who requested information regarding the Park Hill Environmental Impact Statement.

He asked that this information be given to (or telephone contact made with) either himself or the President (or Chairman) of the Park Hill Improvement Association Mr. Charles J. Burns, business consultant (Residence: 1735 Kearney, Denver; Residence phone: 355-9480).



#### NORTHWESTERN UNIVERSITY

EVANSTON, ILLINOIS 60201

CENTER FOR URBAN AFFAIRS

Mr. Ruhard E. Sleton

Assistant Ownter,

Off of Vay Analyses

Treasing Departur

Ron 4205

Washington, D. C. 20220

2040 SHERIDAN ROAD **EVANSTON, ILLINOIS 60201** 

March 12, 1974

Dear Su:

Would you please send me a copy of the deaft

everormental import statement covering the New

United States Mut, Denver

Thorks a lot!

H. PAUL FRIESENA

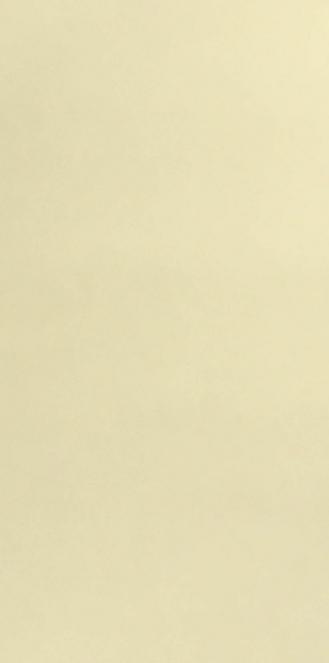
Houl Farener Associate Professor

copy made 4/4

Recipient of Rew File



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### Scope of Architect-Engineer Services for the Design of the New Denver Mint

#### 1. Scope of Work

The Architect-Engineer shall develop, from requirements contained herein and those furnished by the Contracting Officer, complete contract drawings and specifications for the new Denver Mint.

#### 2. Design Concept

It is the intent of the United States Government that the new Denver Mint will be designed, constructed, and equipped to provide the most modern coin manufacturing plant in existence at the time of its completion, using proved equipment, technology and industrial processes. It is not intended to advance beyond the proved state-of-the-art in equipping the various systems and subsystems in the facility.

Also, it is the intent of the United States Government that the new mint be designed and constructed to provide structures and a surrounding setting that will reflect the importance and dignity of the special function of the United States Government to be performed in the facility, and to be in harmony with and to enhance the modern Western character of the metropolitan Denver area.

In the process of planning for the new Denver Mint, the Bureau of the Mint has prepared detailed facility criteria and tentative plans for the industrial process layout, including space determinations and equipment selections for the various functional operations. These criteria and tentative process layouts are attached. These layouts, material flow charts and specific equipment/function criteria were prepared on the concept of providing an initial production capacity of 7.7 billion coins per year on a two-shifts per day basis for nearly all process operations, and on the concept of constructing both a strip production facility and a coining facility. As the strip production facility is in a deferred status at this time, and as the initial production capacity is now 10.5 billion coins per year on a three-shifts per day basis, this material is not completely applicable to the current design requirement. However, this material is being furnished for general information and guidance purposes and for use in general planning to accommodate the possibility of construction of a strip production facility on the site at a later date. It is intended that the Architect-Engineer will review the criteria and propose alternatives or amendments as appropriate. The tentative layouts and equipment selections are not restrictive. On the contrary, the Architect-Engineer is expected to analyze the entire spectrum of operations and functions to be performed and to use his judgment, expertise and analysis in developing the design of the new Denver Mint.

The Architect-Engineer services for this project consist of four phases as follows:

- a. Review and validation of the facility criteria prepared by the Government.
  - b. Industrial process design.
- c. Preparation of equipment procurement documents.
- d. Preparation of complete drawings and specifications for the contract construction of the facility.

The planned time schedule for these Architect-Engineer services is shown on Enclosure 1.

#### 3. Specific Architect-Engineer Services

- a. Review and validate, or propose amendments to, criteria prepared by the Government.
- b. Design the industrial process layouts for the new mint. Prepare alternatives for consideration by the Contracting Officer. Perform engineering economic analysis of alternatives and present them to the Contracting Officer in support of recommended overall layout and component selections. Process layout to include studies of alternatives regarding degree of automation and materials handling systems. The studies and designs to include analyses of the availability and osts and feasibility of various energy sources for process equipment for the buildings. Process lines and utilities shall be designed for service-ability and accessibility. All process lines and utilities shall be color coded for easy identification. This portion of the work shall be accomplished in two phases, namely, a concept phase and a final design phase. The concept submittal will include a three-dimensional "block"-type model of the process layout. Completion of the concept phase and the final design phase shall be as per the schedule shown on Enclosure 1.
- c. Submit recommendations to the Contracting Officer of long lead-time production process items that should be procured early by the Government. Prepare specifications and other required data to comprise the procurement bid documents for these items, and for the other items to be procured by the Government. These procurement packages shall include provisions for operating and maintenance manuals, drawings and spares for each item, and for all necessary support equipment. Prepare cost estimates for each of the procurement packages and advise and assist the Government in the procurement of these items. In this regard, it is the intent of the Government that all production process items with auxiliaries and electrical support equipment, and all specialized operating and maintenance equipment, will be procured by the Government and provided to the construction contractor for installation into the facility.
- d. Design and prepare contract bid documents for the entire new

Denver Mint facility. Documents to include installation drawings for all production process equipment.

- e. Design a security system for the facility with the objective of providing adequate security at reasonable equipment and personnel costs. The layout and arrangement of work areas, lunch rooms, bathrooms and locker rooms should be such as to allow for limitation of employee mobility within the facility. Sensitive areas should be isolated and provided with physical restraints so that a restrictive access system can be readily enforced.
- f. Design a complete telephone system for the facility consisting of empty conduits, telephone terminal cabinets, wall outlets and telephone equipment room.
- g. Design an intercommunication system for point-to-point communication between specific operational activities, based on the requirements of the industrial process system. Design an associated paging system for selective and overall paging throughout the mint.
  - h. Design a fire protection system for the entire facility.
- i. Prepare calculations and economic studies supporting the recommendations for electrical aspects of the facility such as the voltage level at which the Government should purchase power, the motor starting methods (across the line vs reduced voltage), the short circuit current calculations for determining the equipment interrupting capacities required, the degree of ground fault protection, AC to DC conversion method, and copper vs aluminum conductors.
- j. Based on using the South Platte River site for the new mint, special attention to the potential flooding will be required in the detailed design. It is the intent of the Government that surface elevations beneath all major structures will be at least three feet above the water elevations, as predicted by the Corps of Engineers during a "Standard Project Flood", and that these structures will be "floodproofed" up to three feet above surface elevations.
- k. Prepare and submit facility cost estimates at the completion of the concept stage and when the working drawings are fifty percent complete. Prepare and submit final cost estimates and quantity surveys upon completion of design, broken down into such detail as to be suitable for use in preparing the Government Estimate for evaluating construction bids.
- 1. Prepare a schedule of Construction Contractor's Approvals and Tests, listing all shop drawings, samples, materials, fixtures, equipment, plant materials and color schedules to be submitted and all tests to be performed by the Construction Contractor in accordance with the contract specifications.
- m. Furnish, throughout the project construction/equipment installation period, engineering advice and assistance to the Contracting Officer to resolve ambiguities and conflicts and to assure completion of the facility in accordance with the design.

n. Provide office space for three (3) Government engineers during the active design period of this contract.

#### 4. Architect-Engineer Services Notes/Considerations

- a. The Architect-Engineer shall not proceed with Final Design until Concept Study approval notification is issued by the Contracting Officer.
- b. The design of the new Denver Mint shall meet all local code, zoning and design requirements, requirements as to the use of materials, and the provision of employee facilities. If a local approval of the exterior massing and fenestration of the facility is required by law, ordinance or regulation, the Architect-Engineer shall assist the Contracting Officer's representative in obtaining this approval.
- c. The new Denver Mint shall be designed and the construction documents prepared in compliance with the letter and spirit of Public Law 91-190 (the National Environmental Policy Act of 1969) and Executive Orders 11507 and 11514, and in accordance with the Final Environmental Impact Statement for this facility dated February 2, 1973.
- d. The new Denver Mint shall be designed and the construction documents prepared to comply with the letter and spirit of the Occupational Safety and Health Act of 1970 (Public Law 91-596). In this regard, solution of external and internal noise pollution problems will require particular attention.
- e. The new Denver Mint shall be designed and the construction documents prepared to comply with the letter and spirit of local, State and Federal laws and regulations pertaining to the prevention of air and water pollution and solid wastes disposal. Executive Order 11507, dated February 4, 1970, is applicable. It is intended that the new Denver Mint will be equipped with the most modern and efficient pollution measurement, prevention and control systems and devices available, so that the plant will serve as a model in the field of pollution measurement and prevention.
- f. The Architect-Engineer's fee shall include the cost of all engineering, special studies, consultant services and laboratory work required to accomplish the work, including consultation and planning with the City and County of Denver, the Colorado State Highway Department, the Bureau of Public Roads, the Regional Transportation Authority, any other agencies involved in transportation matters to and around the site, and any other agencies involved in the planning and design of the facility.

- g. Drawings, specifications and estimates shall include all equipment which will be either government-furnished construction contractor-installed, or construction contractor-furnished and installed, and will indicate all connections.
- h. The Architect-Engineer shall furnish all materials and equipment and the travel required for the satisfactory completion of the work, unless specifically indicated otherwise in this contract.
- i. The Architect-Engineer shall maintain a project file of all correspondence pertinent to the contract. A/E shall keep records of all conferences, reviews and substantive telephone conversations and provide written confirmation of each to the Contracting Officer or his designee.
- j. All estimates of cost shall be transmitted to the Contracting Officer in envelopes stamped "FOR OFFICIAL USE ONLY", as furnished by the Government.
- k. Each Request for Payment for Services Performed shall be accompanied by a GANT chart showing the status of each major segment of the work.

#### 6 Enclosures:

- 1. Denver Mint Design and Construction Schedule
- 2. Planning Criteria
- 3. Design Capacities and Material Flow Charts
- 4. Specific Equipment/Function Criteria (Items 1-36)
- 5. Tentative Mint Layout Drawings
- 6. Coin Data Tables

### Scope of Architect-Engineer Services for the Design of the New Denver Mint

#### 1. Scope of Work

The Architect-Engineer shall develop, from requirements contained herein and those furnished by the Contracting Officer, complete contract drawings and specifications for the new Denver Mint.

#### 2. Design Concept

It is the intent of the United States Government that the new Denver Mint will be designed, constructed, and equipped to provide the most modern coin manufacturing plant in existence at the time of its completion, using proved equipment, technology and industrial processes. It is not intended to advance beyond the proved state-of-the-art in equipping the various systems and subsystems in the facility.

Also, it is the intent of the United States Government that the new mint be designed and constructed to provide structures and a surrounding setting that will reflect the importance and dignity of the special function of the United States Government to be performed in the facility, and to be in harmony with and to enhance the modern Western character of the metropolitan Denver area.

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The Architect-Engineer services for this project consist of four phases as follows:

- a. Review and validation of the facility criteria prepared by the Government.
  - b. Industrial process design.

-2-

- c. Preparation of equipment procurement documents.
- d. Preparation of complete drawings and specifications for the contract construction of the facility.

The planned time schedule for these Architect-Engineer services is shown on Enclosure 1.

#### 3. Specific Architect-Engineer Services

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- m. Furnish, throughout the project construction/equipment installation period, engineering advice and assistance to the Contracting Officer to resolve ambiguities and conflicts and to assure completion of the facility in accordance with the design.

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- a. The Architect-Engineer shall not proceed with Final Design until Concept Study approval notification is issued by the Contracting Officer.
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- c. The new Denver Mint shall be designed and the construction documents prepared in compliance with the letter and spirit of Public Law 91-190 (the National Environmental Policy Act of 1969) and Executive Orders 11507 and 11514, and in accordance with the Final Environmental Impact Statement for this facility dated February 2, 1973.
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- e. The new Denver Mint shall be designed and the construction documents prepared to comply with the letter and spirit of local, State and Federal laws and regulations pertaining to the prevention of air and water pollution and solid wastes disposal. Executive Order 11507, dated February 4, 1970, is applicable. It is intended that the new Denver Mint will be equipped with the most modern and efficient pollution measurement, prevention and control systems and devices available, so that the plant will serve as a model in the field of pollution measurement and prevention.
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d. Preparation of complete drawings and specifications for the contract construction of the facility.

The planned time schedule for these Architect-Engineer services is shown on Enclosure 1.

#### 3. Specific Architect-Engineer Services

- a. Review and validate, or propose amendments to, criteria prepared by the Government.
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- c. Submit recommendations to the Contracting Officer of long lead time items that should be procured early by the Government. Prepare specifications and other required data to comprise the procurement bid documents for these items, and for the other items to be procured by the Government. These procurement packages shall include provisions for operating and maintenance manuals, drawings and spares for each item, and for all necessary support equipment. Prepare cost estimates for each of the procurement packages and advise and assist the Government in the procurement of these items. In this regard, it is the intent of the Government that all production process items with auxiliaries and electrical support equipment, and all specialized operating and maintenance equipment, will be procured by the Government and provided to the construction contractor for installation into the facility.
- d. Design and prepare contract bid documents for the entire new Denver Mint facility. Documents to include installation drawings for all equipment, whether Government-procured or construction contractor-furnished.
  - e. Design a security system for the facility with the objective

of providing adequate security at minimum equipment and personnel costs. Sensitive areas should be isolated within the security control system so that minimal security checks would be required for personnel working in nonsensitive areas.

- f. Design a complete telephone system for the facility consisting of empty conduits, telephone terminal cabinets, wall outlets and telephone equipment room.
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- j. Based on using the South Platte River site for the new mint, special attention to the potential flooding will be required in the detailed design. It is the intent of the Government that surface elevations beneath all major structures will be at least three feet above the water elevations, as predicted by the Corps of Engineers during a "Standard Project Flood", and that these structures will be "floodproofed" up to three feet above surface elevations.
- k. Prepare and submit facility cost estimates at the completion of the concept stage and when the working drawings are fifty percent complete. Prepare and submit final cost estimates and quantity surveys upon completion of design, broken down into such detail as to be suitable for use in preparing the Government Estimate for evaluating construction bids.
- 1. Prepare a schedule of Construction Contractor's Approvals and Tests, listing all shop drawings, samples, materials, fixtures, equipment, plant materials and color schedules to be submitted and all tests to be performed by the Construction Contractor in accordance with the contract specifications.
- (Optional) m. Review all Construction Contractor submittals listed in paragraph 3(1) above, and make recommendations to the Contracting Officer regarding approval/disapproval, or amendment.

- n. Furnish, throughout the project construction/equipment installation period, engineering advice and assistance to the Contracting Officer to resolve ambiguities and conflicts and to assure completion of the facility in accordance with the design.
- o. Provide office space for three (3) Government engineers during the active design period of this contract.

### 4. Architect-Engineer Services Notes/Considerations

- a. The Architect-Engineer shall not proceed with Final Design until Concept Study approval notification is issued by the Contracting Officer.
- b. The design of the new Denver Mint shall meet all local code, zoning and design requirements, requirements as to the use of materials, and the provision of employee facilities. If a local approval of the exterior massing and fenestration of the facility is required by law, ordinance or regulation, the Architect-Engineer shall assist the Contracting Officer's representative in obtaining this approval.
- c. The new Denver Mint shall be designed and the construction documents prepared in compliance with the letter and spirit of Public Law 91-190 (the National Environmental Policy Act of 1969) and Executive Orders 11507 and 11514, and in accordance with the Final Environmental Impact Statement for this facility dated February 2, 1973.
- d. The new Denver Mint shall be designed and the construction documents prepared to comply with the letter and spirit of the Occupational Safety and Health Act of 1970 (Public Law 91-596). In this regard, solution of external and internal noise pollution problems will require particular attention.
- e. The new Denver Mint shall be designed and the construction documents prepared to comply with the letter and spirit of local, State and Federal laws and regulations pertaining to the prevention of air and water pollution and solid wastes disposal. Executive Order 11507, dated February 4, 1970, is applicable. It is intended that the new Denver Mint will be equipped with the most modern and efficient pollution measurement, prevention and control systems and devices available, so that the plant will serve as a model in the field of pollution measurement and prevention.
- f. The Architect-Engineer's fee shall include the cost of all engineering, special studies, consultant services and laboratory work required to accomplish the work, including consultation and planning with the City and County of Denver, the Colorado State Highway Department, the Bureau of Public Roads, the Regional Transportation Authority, any other agencies involved in transportation matters to and around the site, and any other agencies involved in the planning and design of the facility.

- g. Drawings, specifications and estimates shall include all equipment which will be either government-furnished construction contractor-installed, or construction contractor-furnished and installed, and will indicate all connections.
- The Architect-Engineer shall furnish all materials and equipment and the travel required for the satisfactory completion of the work, unless specifically indicated otherwise in this con-
- The Architect-Engineer shall maintain a project file of all correspondence pertinent to the contract. A/E shall keep records of all conferences, reviews and substantive telephone conversations and provide written confirmation of each to the Contracting Officer or his designee.
- j. All estimates of cost shall be transmitted to the Contracting Officer in envelopes stamped "FOR OFFICIAL USE ONLY", as furnished by the Government.
- k. Each Request for Payment for Services Performed shall be accompanied by a GANT chart showing the status of each major segment of the work.

#### 6 Enclosures:

- 1. Denver Mint Design and Construction Schedule
- 2. Planning Criteria
- 3. Design Capacities and Material Flow Charts
- 4. Specific Equipment/Function Criteria (Items 1-36)
- 5. Tentative Mint Layout Drawings
- 6. Coin Data Tables

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Design & Construction Schoolile - oversige file For Flow 18



#### DESIGN AND CONSTRUCTION SCHEDULE NEW DENVER MINT

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#### BUREAU OF THE MINT

#### DESIGN AND CONSTRUCTION SCHEDULE - NEW DENVER MINT

#### (Dollars in Millions)

	1974	1975	1976	1977	1978	1979	1980	1981	Totals
Site Acquisition		1.50							1.50
Design Services									
Process Design		0.30		0.30					0.60
Equipment Procurement Documents Installation Drawings		0.08	0.30	0.07 0.20	0.39				0.15
Site/Building Design	0.02	1.60	0.55	1.37	0.80				4.34
Equipment Procurement			8.70		28.84				37.54
Site/Building Construction			31.10	11.71		17.15			59.96
Equipment Installation					3.82		4.70		8.52
Start-up, Relocation and Transition						0.90		0.60	1.50
TOTALS	0.02	3.48	40.65	13.65	33.85	18.05	4.70	0.60	115.00

### BUREAU OF THE MINT PROJECTED OUTLAYS - NEW DENVER MINT (Millions of Dollars)

Fiscal	Year	1974						0.02	(Actual)
Fiscal	Year	1975						0.06	
Fiscal	Year	1976						3.05	
July, A	August	, Sep	ten	abe	r 1	976		0.78	
Fiscal	Year	1977						21.52	
Fiscal	Year	1978						30.39	
Fiscal	Year	1979						.29.41	
Fiscal	Year	1980						21.12	
Fiscal	Year	1981						8.65	
			TO	TAL				115.00	

### DESIGN AND CONSTRUCTION SCHEDULE

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#### DESIGN AND CONSTRUCTION SCHEDULE NEW DENVER MINT

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START-UP, RE-LOCATION & TRANS.

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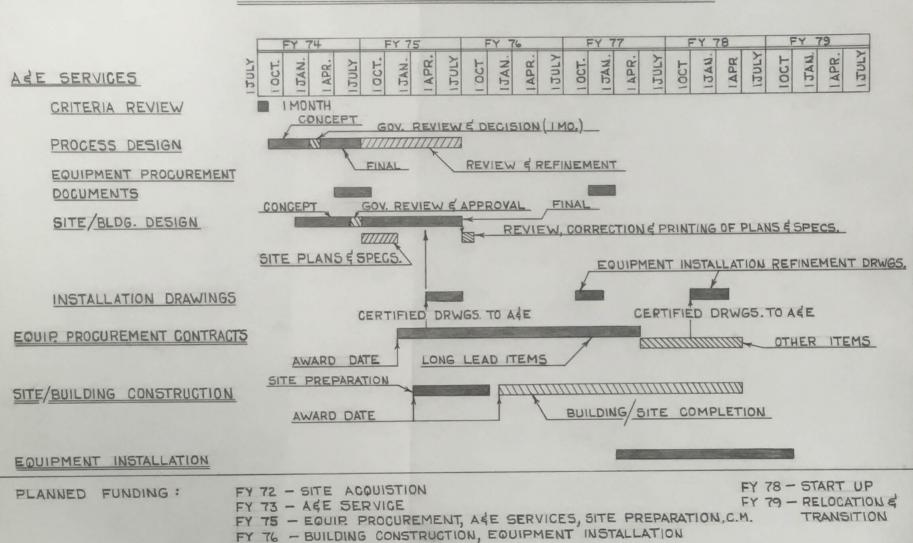
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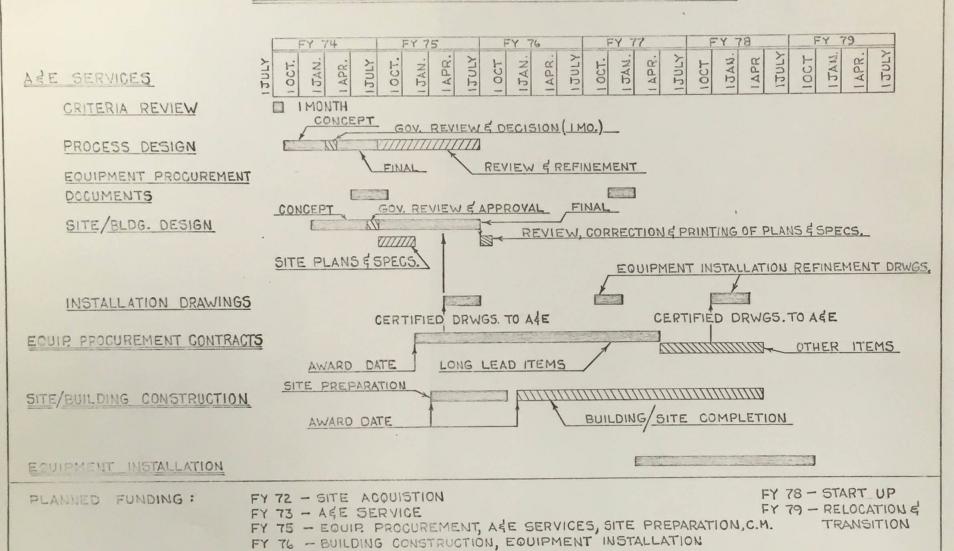
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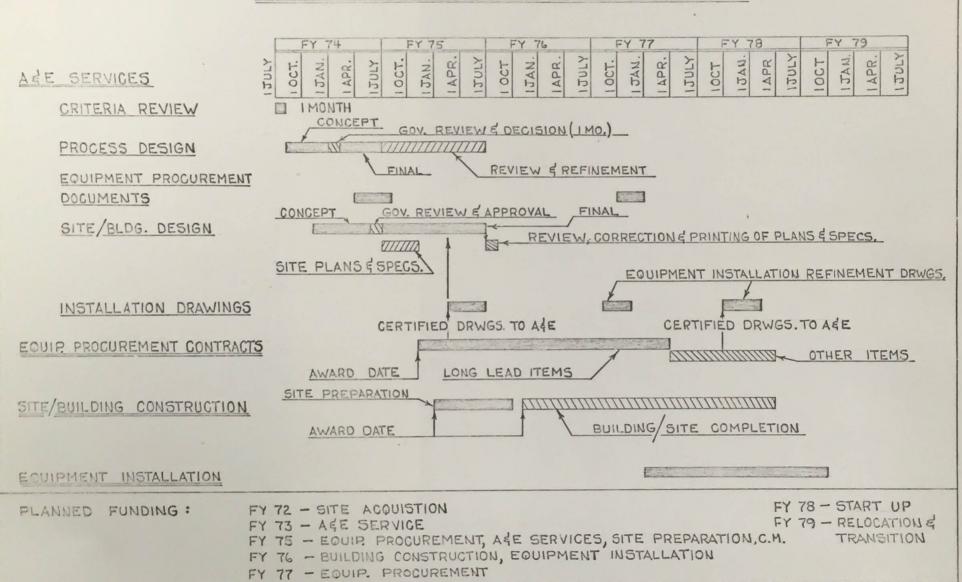
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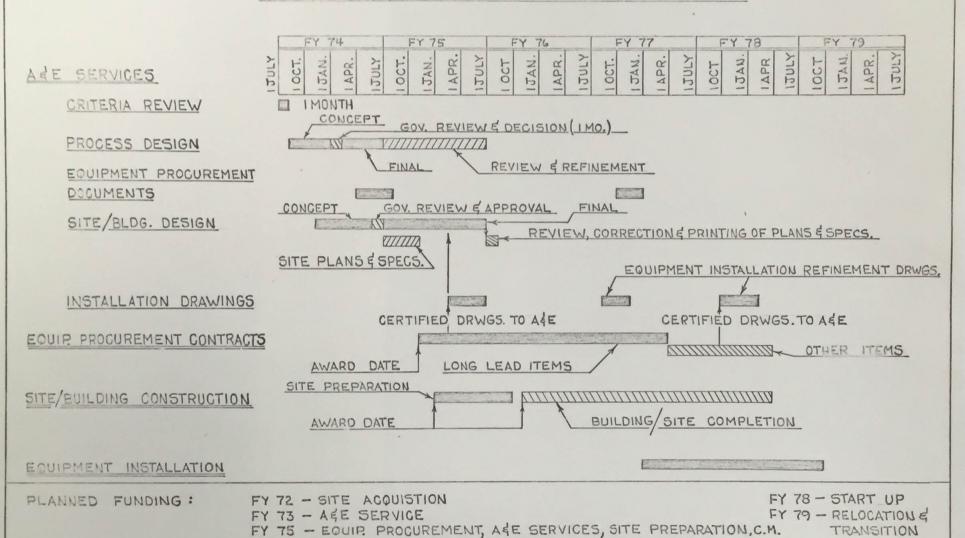
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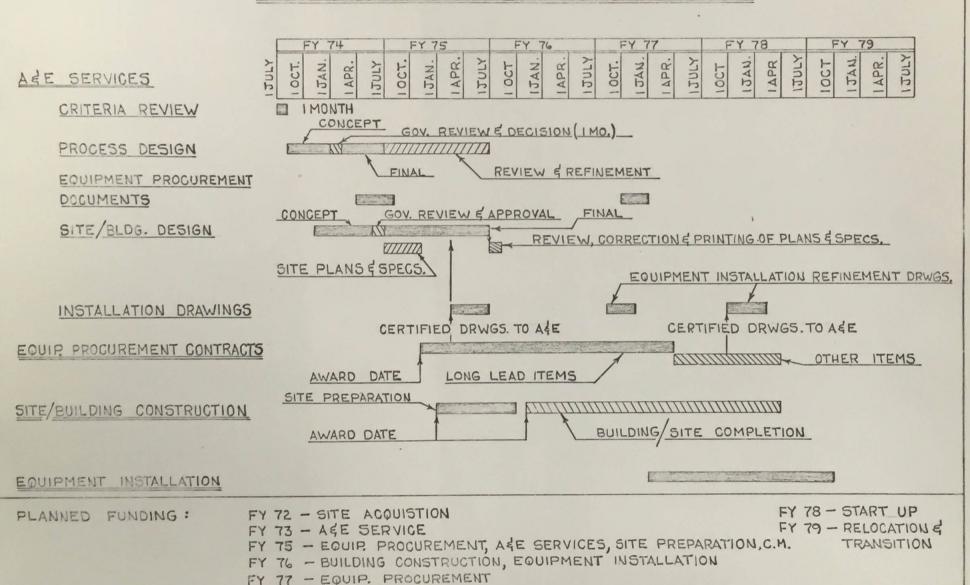


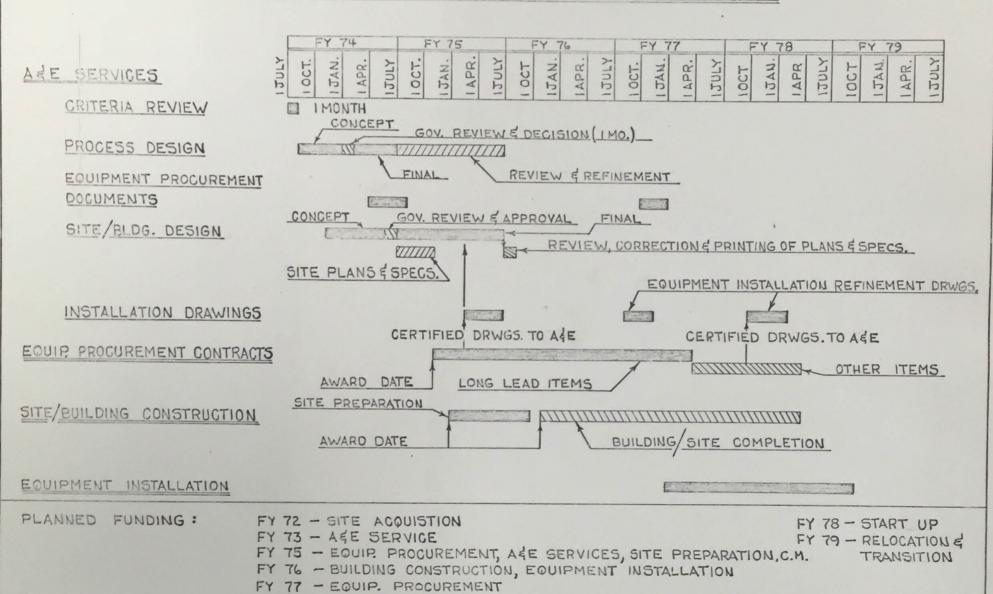


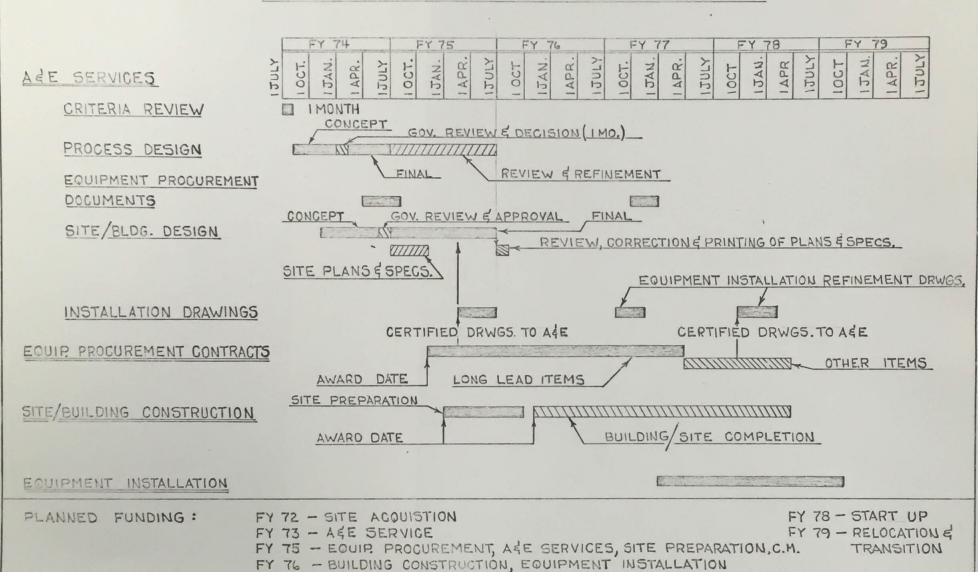


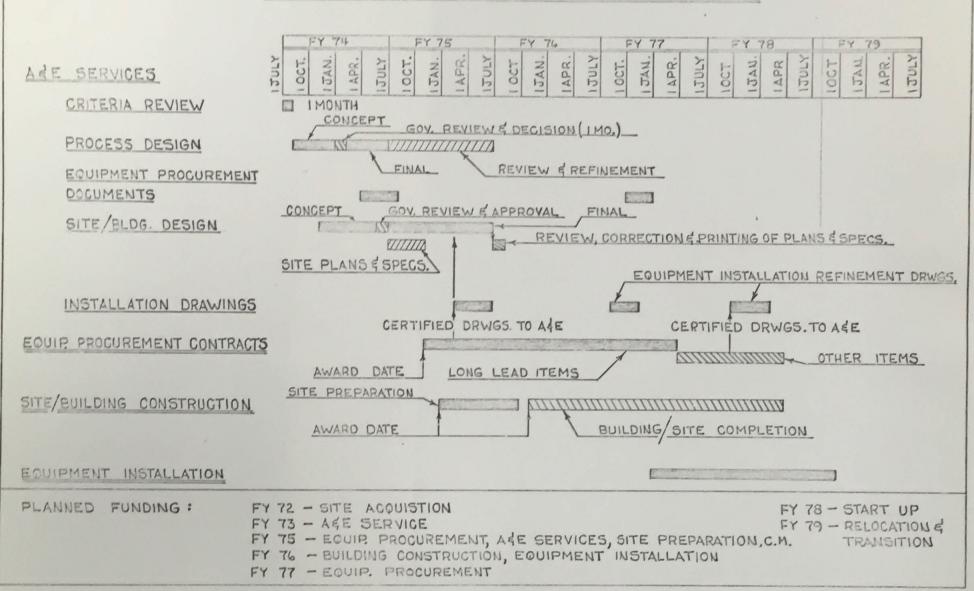


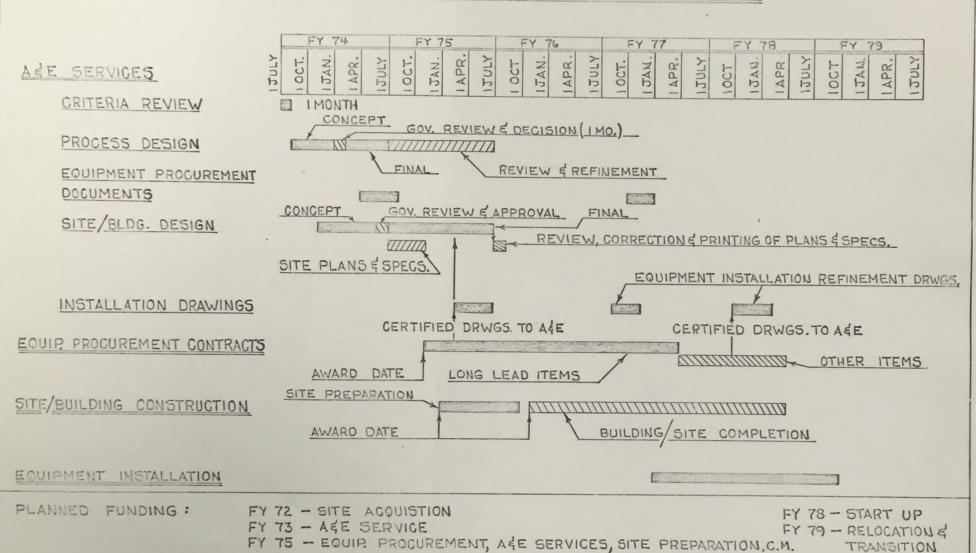
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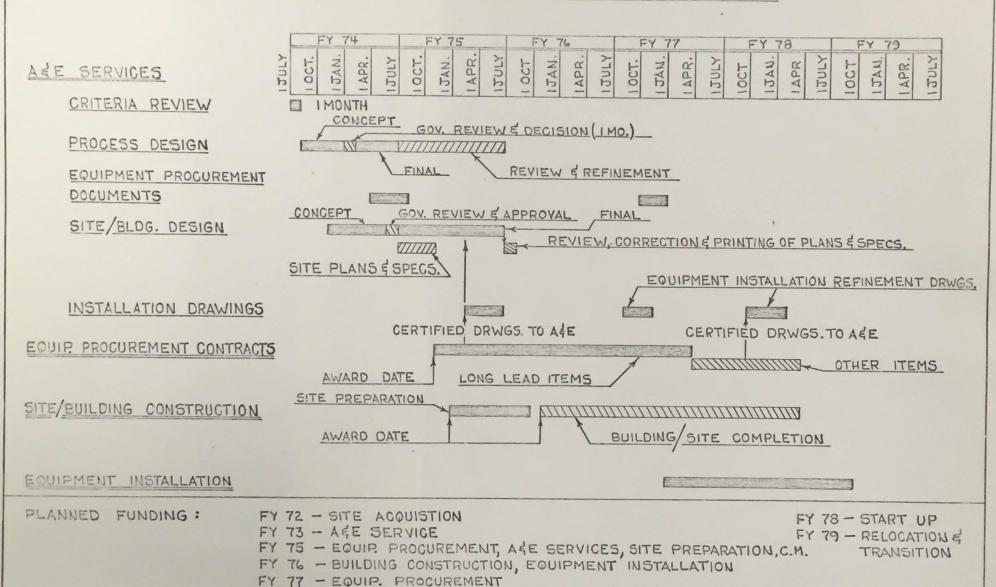


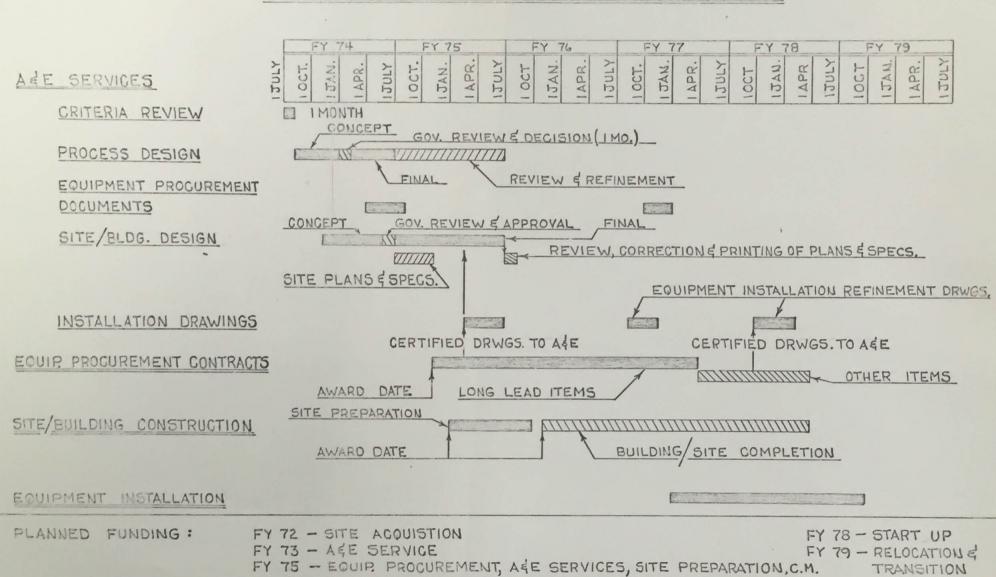




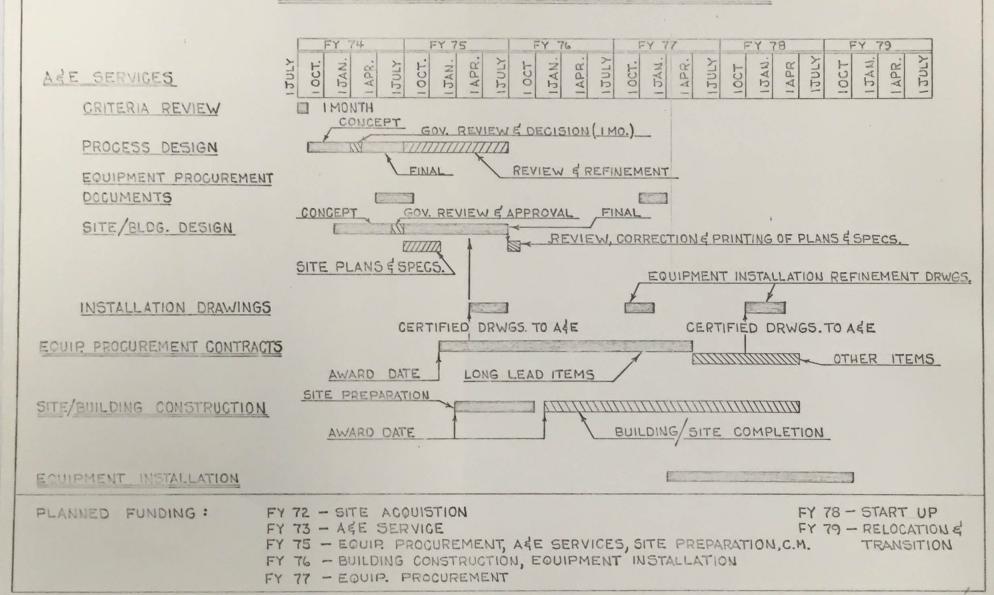


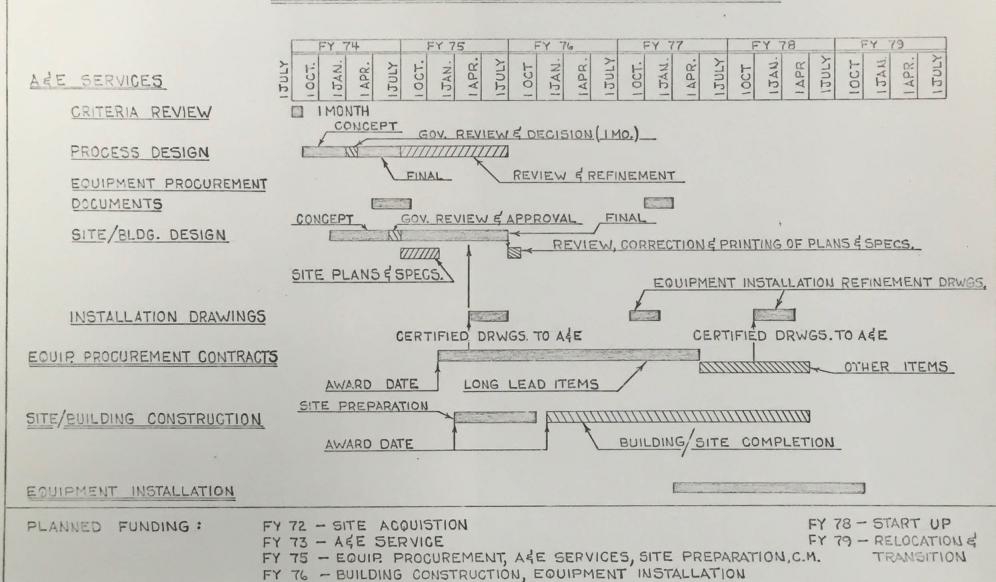
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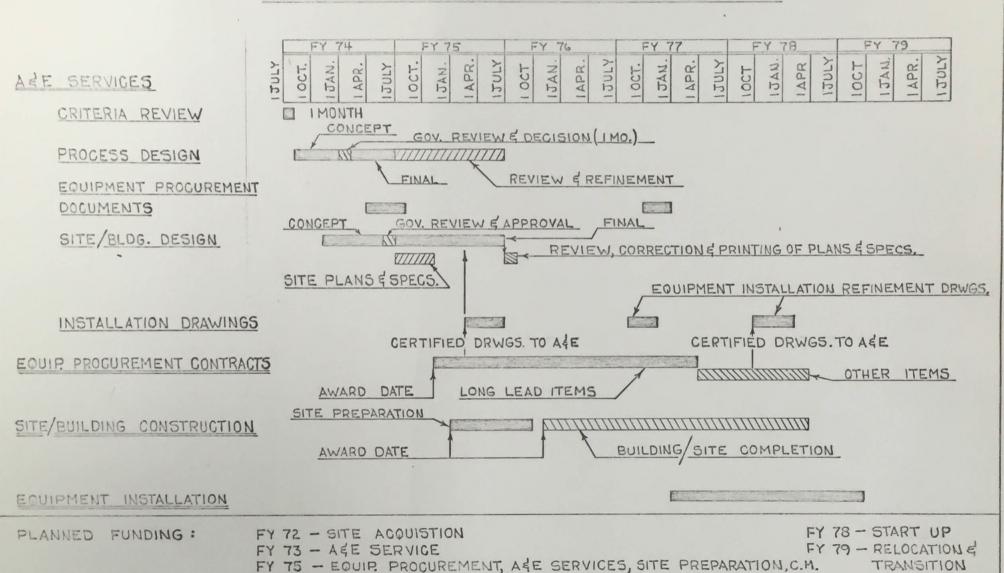




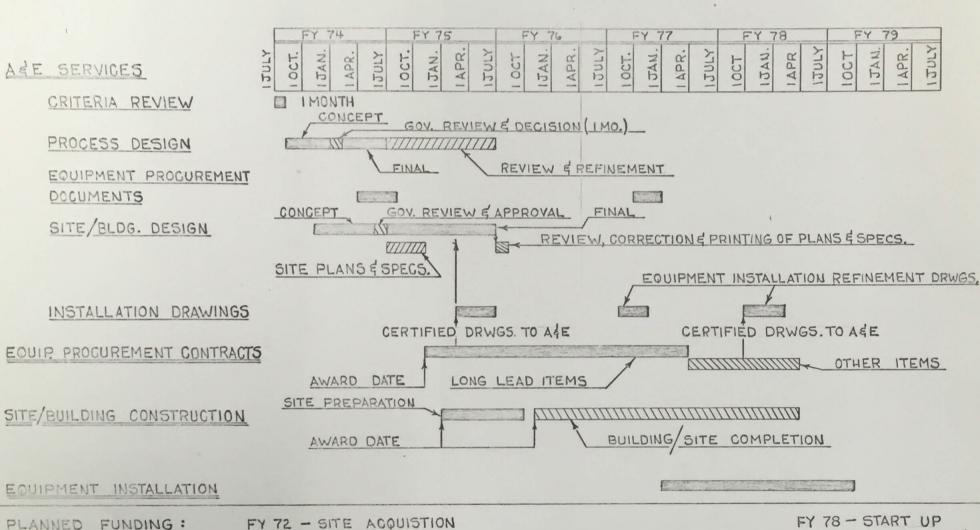
FY 76 - BUILDING CONSTRUCTION, EQUIPMENT INSTALLATION







FY 76 - BUILDING CONSTRUCTION, EQUIPMENT INSTALLATION



FY 73 - A E SERVICE

FY 75 - EQUIP. PROCUREMENT, A E SERVICES, SITE PREPARATION, C.M.

FY 76 - BUILDING CONSTRUCTION, EQUIPMENT INSTALLATION

FY 77 - EQUIP. PROCUREMENT

FY 79 - RELOCATION &

TRANSITION

AFE SERVICES

CRITERIA REVIEW

PROCESS DESIGN

EQUIPMENT PROCUREMENT DOCUMENTS

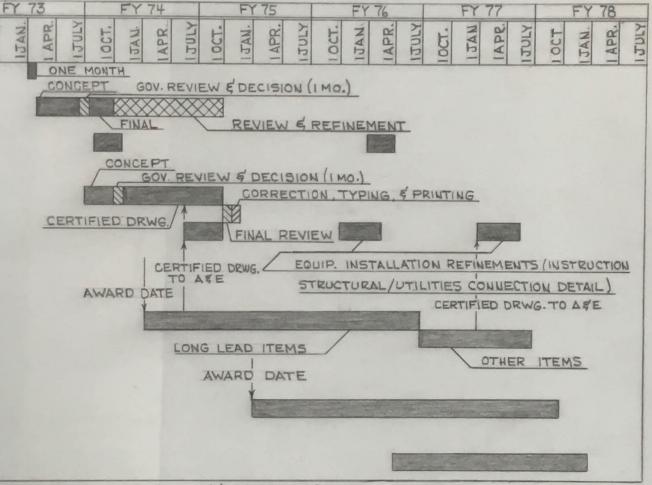
SITE/BUILDING DESIGN

INSTALLATION DRAWINGS

CONTRACTS

SITE/BUILDING CONSTRUCTION

EQUIPMENT INSTALLATION



PLANNED FUNDING :

FY 73 A/E SERVICES

FY 74 A/E SERVICES, EQUIP. PROCUREMENT, CONSTRUCTION MANAG.

FY 75 CONSTRUCTION EQUIPMENT INSTALLATION

FY 76 EQUIPMENT PROCUREMENT

FY 78 START-UP, RELOCATION

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FY 78

FY 76 EQUIPMENT PROCUREMENT

START-UP, RELOCATION

# COLORFUL COLORADO



# NEW MANUFACTURING FACILITY

425,000 SQUARE FEET LITTLETON, COLORADO

#### LOCATION

LITTLETON, COLORADO: A suburb of DENVER in the South Central portion of the Denver Metropolitan Area.

Served by major local highway arteries with easy access to State and Interstate Highway systems.

Stapleton International Airport is 30 minutes away, and Arapahoe County Airport is nearby (7,000-foot runway).



METROPOLITAN DENVER, with population exceeding 1.4 million is:

The principal city of the Rocky Mountain States Region.

Financial Center with bank deposits exceeding \$4.5 billion.

Research Center featuring the United States National Bureau of Standards.

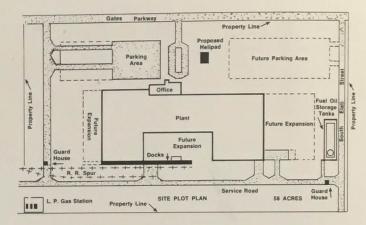
Manufacturing Center with Samsonite, Hewlett-Packard, Adolph Coors Brewery, Martin-Marietta, IBM, Eastman Kodak, Western Electric and other manufacturing operations directly employing over 100.000.

Transportation Center served by three Interstate Highways, major railroad lines and the tenth busiest commercial airport in the United States.

Agricultural Center for thousands of acres of wheat, sugar beets and other farming and of cattle and sheep ranching.

Energy Center for vast accumulations of oil, oil shale, gas, coal and other mineral resources.

Educational Center with nationally known universities and community colleges.



#### SITE FACTS

SITE SIZE: 58 acres, rectangular.

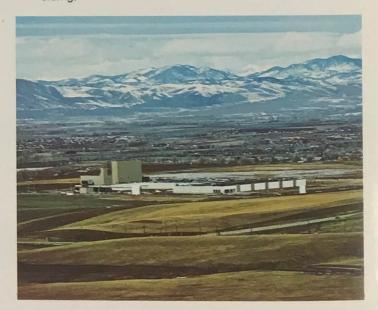
TOPOGRAPHY: Level, finish grade gently rolling. ZONING: Planned Industrial Park -- Manufacturing.

UTILITIES: All underground.

PARKING: Lighted 250-car paved parking area covering 74,000 square feet, room for expansion.

LANDSCAPING: Site well landscaped, and has automatic sprinkler system.

RAIL: Served by Santa Fe Railroad, spur directly to plant, with siding.





Section of the boiler and compressor room, with panels for automatic control.

#### SERVICES

- 1. Utilities:
  - Water: 12" Line (City of Littleton) to Bldg. with 6" Bldg. feed with 300,000 Gallon Fire Protection Storage Capacity.
  - b) Sewer: Industrial holding pond overflow to metered sanitary.
  - c) Gas: 6" main line to building. Fuel Oil: Back-up system.
    - Propane: Back-up system with vaporizer sys-
  - d) Electricity: Provided by Public Service of Colorado
    - 1) Primary Voltage: 13.8 KV, 2,000 AMPS.
    - Wiring: 480V 600 Amp bus duct available.
    - Comprehensive secondary distribution available.
- 2. Fire and police protection provided by City of
- 3. Telephone: 900 pair cable with 200 service outlets in place.
- 4. Lighting:
  - a) Fluorescent throughout.
  - b) Candlepower: Manufacturing: 50-80 Storage: 15
- 5. Heating: Perimeter steam, gas-fired makeup air
- 6. Steam: 60,000 lbs/hr at 350 PSIG saturated. Power Plant is equipped with complete water treatment facilities.
  - Three Cooling Towers: 5000 GPM, 850 GPM, 500 GPM.
- 7. Air: 3260 CFM free air at 100 PSIG. (2-1630 Ingersoll-Rand Compressors with 300 HP electric motors.)
- 8. Sprinkler System: Wet system with fire loop around building. 300,000-gallon water storage and an automatic diesel-powered 1500 GPM fire pump.
- 9. Storage
  - a) Fuel Oil: 92,500-gallon storage tank on site. LP Gas: 3 - 30,000-gallon capacity tanks,
  - with propane vaporizer system. c) Water: 300,000 gallons for Fire Protection.



Interior of warehouse

#### **BUILDING DESCRIPTION**

- 1. One Building, Two Fire Walls.
- 2. Floor Space Finished: 424,649 sq. ft. Office: 22,795 sq. ft. Manufacturing: 390,860 sq. ft.

Miscellaneous: 10,994 sq. ft. Unfinished: 47,367 sq. ft.

- 3. Construction:
  - a) Length: 1052
  - b) Width: 423'
  - c) Height:
    - 1) Maximum Ceiling Height 25'6"
    - 2) Clear Ceiling Height in 80% of Area 22'
    - 3) Ceiling Height in Tower 125'11"
  - d) Floors: Reinforced Concrete 7" thick with a 6 x 6 - 4/4 Mesh
  - e) Floor Loading: 1st Floor - 700 lbs./sq. ft. 2nd and 3rd Floor - 500 lbs./sq. ft.
  - Office 50 lbs./sq. ft. f) Bay Spacing: 30' x 60' g) Walls: Cinder Block, Twin TT, Architectural
  - Concrete in Office Areas h) Columns: Steel Beams throughout.
  - Roof: Structural Frame with Steel Joists and
  - j) Expandable: Three directions.
- 4. Shipping-Receiving Facilities:
  - a) Receiving Dock:

Corner.

- 1) Length: 360' Covered; 150' Uncovered.
- 2) Five Receiving Doors.
- 3) Two Railroad Tracks with Six Unloading Spots.
- 4) Unloading Facilities: Kelly RR Dock Boards - Portable Slip-in Ramps. b) Shipping Dock: Eight Doors in Southeast



Control Panels for Electronic Security System: Monitors all external openings, all fire signals, and guard clocking stations, from a single location, with automatic printed record of all signals.



Downtown Denver in background

This beautifully maintained facility was built by Gates Rubber Co. and finished in 1971. Tires were manufactured in it until late in 1973, at which time Gates decided to discontinue the manufacture of tires. As a result the property is offered at a tremendous saving to a user.

Price \$8,500,000

Offered exclusively by

#### DOUG MORRISON AND CO.





PRUDENTIAL PLAZA 

1050 SEVENTEENTH ST. 

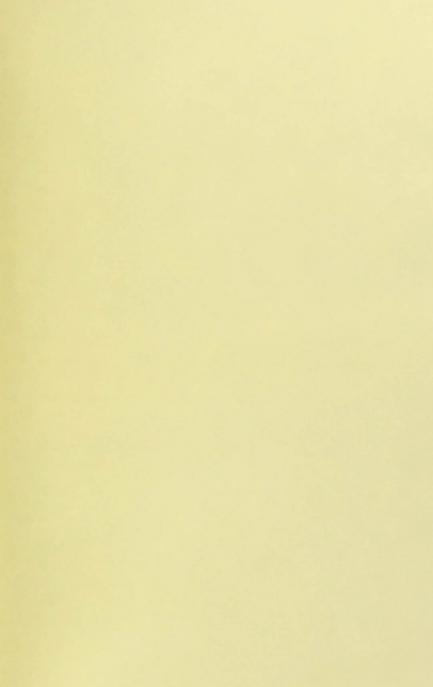
DENVER, COLORADO 80202 

303/292-1211

SHINDLER/CUMMINS, INC. 
HOUSTON 
DENVER 
DALLAS 
AUSTIN



Design & Construction Schoolule - overage Like for Llow 18



Specific Equipment / Function Criteries Fele



Truck Scale

Item No. 1

#### 1. Description of Item/Operation

A recording scale is required to weigh full and empty trucks and tractor-trailers handling shipments into and out of the mint.

#### 2. <u>Capacity Required</u> (Tons/Hour, Units/Hour)

This scale should be located near the metal storage area of the strip production building and should have the capability of weighing trucks and tractor-trailers grossing 80,000 lbs.

#### Metal Storage Area

Item No. 2

## 1. Description of Item/Operation

Virgin and scrap metal storage area for backup metal for feeding to melting and casting. Bins are required to hold scrap return by alloy. A recording scale is required in this area.

Scrap return will approximate 50% of metal requirements, and virgin metal will provide the remaining 50%.

2. Capacity Required (Tons/Hour, Units/Hour)

Metal will be used up at the rate of 14.9 tons per hour, 24 hours per day, five days per week. Storage is required for 30 days production, or 10,728 tons.

3. Power Requirements

Building space requirements only.

4. Water Requirements

Fire protection and general building requirements only.

5. Space Requirements (Horizontal & Vertical)

Approximately 20,000 square feet. Exact requirement to be calculated.

 General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Scale should be floor level recording type with capacity of ten tons.

Docks required for unloading both rail cars and trucks. Truck docks need to have dock levelers. Inclement weather protection required at dock off-loading/building entry doors.

Good lighting and ventilation required in area.

Easy access required to all stored items and for transporting materials from docks to storage areas.

### Melting Metal Make-up Area

Item No. 3

# 1. Description of Item/Operation

Area required to assemble alloys of bronze, cupro-nickel and other alloys for proof coins, medals, and foreign coins. Metal will be moved to melting feed shakers in tanks by forklift trucks or by conveyor. Shears are required to chop virgin metal into small pieces. Base metal must be weighed and assembled with scrap return and fractional amounts of zinc or nickel.

Equipment to be purchased.

### 2. Capacity Required (Tons/Hours, Units/Hour)

Metal make-up rate is 14.9 tons/hour, 24 hours per day for daily rate of 358 tons.

#### 3. Power Requirements

Power required for three metal shears (including at least one cropping shear), for conveyor transporting metal from shears into bins, and possibly for conveyor transporting metal to melting furnaces.

#### 4. Water Requirements

Normal building/work area requirements.

# 5. Space Requirements (Horizontal & Vertical)

Approximately 15,000 square feet.

# 6. Storage/Surge Requirements

Bins are required for storing various incoming metals and scrap return, segregated by metal or alloy.

# 7. <u>General Matters</u> (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Scale should be floor level recording type with capacity of ten tons and an accuracy of  $\pm$  0.001.

A small records office is required near scale.

Adequate space should be provided to allow for good access to bins, equipment, and for movement of metal tanks to melting area.

Special attention required to attenuation of noise generated in shearing operations.

### Melting and Holding Furnaces

Item No. 4

## 1. Description of Item/Operation

Melting furnaces and holding furnaces for two melting and casting stations. Each station to be equipped with three melting furnaces and one holding furnace. Furnaces to be core electric induction type and to be complete with electrical controls, hydraulic tilting equipment and necessary spares.

All equipment to be purchased.

# 2. Capacity Required (Tons/Hour, Units/Hour)

Alloys: 95% Cu, 5% Zn 75% Cu, 25% Ni

Melting rate: 14.9 tons/hour yearly average production from the two stations. Actual equipment capacity must allow

for down time.

Melting furnaces should have a capacity of 25,000 lbs. each. Holding furnaces should have a capacity of 60,000 lbs. each.

## 3. Power Requirements

60 Hertz power is required for the six melting furnaces and two holding furnaces, each with a rating of approximately 800 KW.

# 4. Water/Gas Requirements

Water required to cool furnace induction coils and furnace transformers. Treatment of water required to control PH and eliminate undesirable elements in order to minimize corrosion.

# 5. Space Requirements (Horizontal & Vertical)

Each melting bay will require an area 60 feet by 70 feet. Vertical clearance required is approximately 23 feet.

Space for installation of an additional melting/casting bay is to be included in the building plan.

A vibrator feed system is required for each melting furnace. Space required for vibrator is 20 feet by 10 feet.

6. <u>Maintenance Requirements</u> (Estimated Down Time, Special Tools or Materials)

Estimated down time for maintenance and repairs is 25%. This process will be operated three shifts per day, five days per week.

7. Potential Pollution Problems/Solutions

Fumes, dust and oxidized metal should be controlled at source with built-in system to exhaust to precipitators, cyclones and scrubbers.

8. General Matters (Common Utilities, Safety Hazards, Special Lighing, Ventilation)

Electric power, cooling and hydraulic systems require auxiliary backup.

Special ventilation and heat removal systems required throughout area to provide adequate, safe environment for employees. Furnaces will contain molten metal in the range 2100 - 2800 degrees F.

Layout of melting and holding furnaces should be such as to minimize length of launders for transferring molten metal from melting furnaces to holding furnaces, and from holding furnaces to casting units.

#### Casting Machines

Item No. 5

#### 1. Description of Item/Operation

Semi-continuous direct chill type casting machines. Machines are to cast double strands of ingots measuring 6" x 32" x 20'. Two casting units are required, positioned as closely as possible to holding furnaces. Ingots will be lifted out by overhead cranes for movement to ingot downlayer.

Casting machines are to have hydraulic slab withdrawal from the molds, are to be complete with all controls, electrical equipment and spares. All equipment to be purchased.

#### 2. Capacity Required (Tons/Hour, Units/Hour)

Casting rate: two ingots approximately every two hours from each of the casting units for an overall casting rate of 14.2 tons per hour. Actual equipment capacity must allow for down time.

#### 3. Power Requirements

440 V, 3 phase, 60 Hertz, A. C. power required to operate hydraulic cylinders to lower and raise ingots and for electrically driven mold vibrators. 24 volt D. C. required for solenoid operated hydraulic valves.

## 4. Water/Gas Requirements

Approximately 1500 GPM of water required for each casting unit. Cooling water requirements must be verified. Water to be recycled through filters and cooling towers.

Water manifold system required with individual flow control to each mold.

Treatment of water required to control PH and eliminate undesirable elements in order to minimize corrosion.

#### 5. Space Requirements (Horizontal & Vertical)

10 ft. x 10 ft. horizontal and approximately 35 ft. vertical for each casting machine. Slab withdrawal from molds will be into wells recessed below level of main working floor of building.

## 6. Storage/Surge Requirements

Storage required for spare molds (12) and other miscellaneous spares.

7. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Estimated down time is 25%.

8. Potential Pollution Problems/Solutions

Fumes and dust generated during pouring and casting need to be collected at source and conveyed to precipitators and scrubbers.

9. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

An emergency system is required to allow for continuation of casting in the event of a hydraulic or electrical system failure.

Provision required for protection of equipment, wirings, controls and personnel in event of hot metal spillage.

Capability for visual inspection of casting as it emerges from the mold should be provided.

Downlayer and Conveyor for Handling Cast Slabs

Item No. 6

## 1. Description of Item/Operation

One downlayer to receive cast slab delivered in vertical position by an overhead crane, rotate the slab to a horizontal position and discharge onto a conveyor. The conveyor will receive the slab and transport it to a cropping saw, thence to a weighing scale and to the ingot storage area. Ingots will be removed by overhead crane for placement in storage area or discharged directly onto feed conveyor of preheat furnace. Downlayer and conveyor, complete with all controls, electrics and spares are to be purchased.

#### 2. Capacity Required (Tons/Hour, Units/Hour)

Downlayer and conveyor designed to handle 6"  $\times$  32"  $\times$  20' ingots weighing approximately 7 tons each. Downlayer should complete laydown cycle in not more than five (5) minutes.

### 3. Power Requirements

Power required for operating downlayer and conveyor drives.

## 4. Space Requirements (Horizontal & Vertical)

Approximately 5 ft. by 20 ft. for downlayer. Conveyor length will depend on final approved layout of ingot processing area.

Ingot Cropping Saw and Ingot Weighing Scale

Item No. 7

## 1. Description of Item/Operation

Hydraulically operated saw with auxiliaries to saw off ends of ingots. Scale to weigh ingots before and after cropping and provide record.

The ingot cropping saw and scale will be assembled with the discharge conveyor so that the ingots are delivered to the saw, then moved to the scale and finally transported to the ingot storage area.

Saw chips and cropped ends should be collected and conveyed to tanks for later removal by forklift or overhead crane.

The scale should produce a tape or card record of ingot weight with appropriate identification (ingot number, alloy, date).

All equipment to be purchased.

## 2. Capacity Required (Tons/Hour, Unit/Hour)

Initially, 7 ton 6" x 32" x 20' ingots will be cast at the approximate rate of two per hour. To provide for flexibility and future expansion, the cropping saw should be capable of sawing off both ends of an ingot in not more than ten minutes. Weighing would be almost instantaneous. Scale capacity should be 10 tons.

3. <u>General Matters</u> (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Consideration required to providing means of cutting up scrap ingots and cobbled hot-rolled slabs.

Salvage Melting Area and Furnace Rebuild Area

#### Item No. 8

The following lists the requirements for the Salvage Melting Area (See Space Study Plate #1):

This area will serve as a metal reclamation area, provide hot metal for starting the large furnaces, and provide a means for melting and casting small lots, i. e., numismatic medals and foreign coins. The basic equipment for this is as follows:

- 1. Two 175 KW induction melting furnaces 450 lbs. capacity these furnaces with their controls and motor generator sets to be moved from the present mint.
- 2. Two book molds to be moved from present mint.
- 3. Two gas fired small melting furnaces to be moved from present mint.
- 4. Two 2,000 lbs. insulated storage and transfer ladles for storing and transferring hot metal for starting the large melting furnaces.

The following lists the requirements for the Furnace Rebuild Area (See Space Study Plate #1):

This furnace rebuild area will have to be laid out with work benches, holding racks, refractory storage bins, and special tools, as required, for relining the furnaces and rebuilding the induction coil units. Estimated required area is 60 feet by 80 feet. Special ventilation required in this area.

Ingot Storage Area

Item No. 9

- 1. It will be necessary to provide at least ten days of ingot storage as follows:
  - a. An active storage area 55' x 70' serviced by an overhead crane as shown on Plate #1, Strip Production Facility. This area will store approximately six days of ingot production.
  - b. As shown on the same Plate #1, across the hot rolling conveyor, there is ample space for three or more days of inactive ingot storage. In this area the ingots will be taken from the preheat conveyor and stacked by the 20-ton bridge crane.
  - 2. These storage areas will be subject to 3,000 lbs. per sq. ft. loading, caused by the 20' x 6" x 32" 7-ton slabs stacked one on another 10 or 12 high. This loading will require special design consideration.

See Plate #1 - Strip Production Facility.

to the hot roll mill conveyor.

Ingot Reheat and Transfer System

Item No. 10

- 1. It will be necessary to heat the stored 20' x 6" x 32" slabs up to 1500° 1850° F. prior to rolling in the breakdown mill. Extensive economic and physical studies will be necessary in order to find the most feasible type of preheating arrangement. There are four alternatives: gas fired, oil fired, coal fired, and electral induction heating. Actual design output is six (6) slabs per hour.
- 2. Presently, it seems that the electral induction method will be the most practical. A possible arrangement using this system is shown on the layout drawing as follows:
  - Two heating coils, heating alternately, for a total heating cycle of 10 minutes per ingot. An overall area of about  $90' \times 20'$  is required for this system. Considerably more area may be required for other heating systems.
- 3. The electral induction method would require space for power supply units, transformers, capacitor banks, and current limiting equipment for starting.
- 4. Also included must be the design and arrangement of the necessary loading, moving, and unloading equipment (conveyors, lifts, etc.) for delivery from the ingot storage area through the reheat furnace to the hot roll mill conveyor.

#### Ingot Hot Roll Facilities

Item No. 11

#### 1. Description of Item/Operation

Reversing two-high ingot hot rolling mill, complete with entry run-out conveyor, feed table, adjustable guides, edge-rolling capability (including small width reduction to minimize cupronickel edge cracking), delivery run-out conveyor, spray chamber, cropping shears, upcoiler, lubrication systems, hydraulic system, coolant system, fume collection and exhaust systems, control system, roll dressing system, other auxiliaries and spares.

Screw control motors and auxiliary equipment must provide for adjustable screwdown under load.

Automatic mill pass programming capability is required. This will necessitate enclosed pulpit with suitable environment.

Ingots will be delivered to entry conveyor by preheat furnace conveyor, reduced from 6" to 0.400", spray cooled and upcoiled. Coils will be removed from upcoiler by overhead crane or forklift truck.

Mill and auxiliaries, including electrics, to be purchased.

## 2. Capacity Required (Tons/Hour, Units/Hour)

Roll six (6) ingots per hour reducing from 6" to approximately 0.400". Ingots will be either 95-5 copper-zinc or 75-25 cupronickel and will be 6" x 32" x 20' and weigh approximately 7 tons each.

#### 3. Power Requirements

3,000 - 5,000 HP D.C. for main drive, plus numerous smaller electric motors for auxiliary system. Each spindle should be individually driven.

#### 4. Coolant Requirements

Water and oil required for cooling rolls. Mill coolant sprays must be located on top and bottom and on both sides of rolls. Water also required for spray cooler to reduce temperature of rolled strip to about 120° F. prior to upcoiling.

#### 5. Space Requirements (Horizontal & Vertical)

Approximately 25 ft. vertical and 30 ft. by 640 ft. horizontal.

6. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Estimated down time is 25%. However, rolling capacity listed in paragraph 2 above does not need to be increased to allow for this down time.

7. Potential Pollution Problems/Solutions

Oil, grease, fumes and spray coolant water will require collection, filtering or precipitation before discharge outside of plant or recirculation.

8. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Spare rolls and chocks will be required.

Scale and shear scrap will require collection and return to melting and casting area.

Pits should be adequately sized to allow for removal of mill scale at regular intervals and for maintenance accessibility.

Scarfing Mill

Item No. 12

#### 1. Description of Item/Operation

Milling equipment, to receive coils of 32" wide strip at 0.400" thickness and descale top, bottom and both sides in one pass, discharging cupro-nickel strip at approximately 0.330" thick. Mill to be complete with uncoiler, flattener, shear, upcoiler, all controls, accessories and spares, and a vacuum scale removal and collection system. Scrap will be returned to metal make-up area for remelting. Strip coils will be loaded and removed by either movable 10-ton crane or by forklift trucks.

All equipment including electrics to be purchased.

2. Capacity Required (Tons/Hour, Units/Hour)

19.8 tons/hour average input. Actual capacity must be increased to allow for down time.

3. Power Requirements

Power required for operating mill and scale removal system.

4. Space Requirements (Horizontal & Vertical)

Approximately 50 feet by 100 feet by 25 feet vertical.

5. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Estimated 25%down time.

Grinders required for sharpening blades.

6. Potential Pollution Problems/Solutions

Noise levels need to be checked and noise abatement treatment installed, if required.

Milled oxide dust be contained.

7. <u>General Matters</u> (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Subunits of mill should be sufficiently separated to provide easy access for maintenance.

Coil Storage-Strip Production Facility (See Plate #1)

#### Item No. 13

- 1. It will be necessary to have approximately ten working days of coil storage as follows:
  - a. Coils from hot mill upcoiler.
  - b. Feed for the scarfing mill.
  - c. Milled coils from the scarfing mill.
- 2. 3,000 sq. feet will accommodate 250 coils, or five-days operation, when stacked one deep. When stacked two deep, 3,000 sq. feet will store 500 coils for approximately a 10-day operation.
- 3. Three spaces approximately 30 feet wide by 100 feet long have been provided, as shown on the Preliminary Space Survey for the Strip Production Facility. There is a space on each side of the scarfing mill, and one under the balcony.

Elevators and Cranes - Strip Production Facility (See Plate #1)

#### Item No. 14

The following lists the required elevators and cranes for the Melting and Hot Rolling Area (See Space Study Plate #1):

- 1. Three freight elevators of 20-ton capacity each. These will be required from first floor to balcony and mezzanine.
- 2. One 55' span 10-ton capacity bridge crane. This will be used to stack and store the 20' x 6" x 32" seven-ton cast slabs.
- 3. Two 90' span 30-ton capacity bridge cranes. These cranes will service the melting, furnace rebuilding and metal salvage areas.
- 4. One 65' span 20-ton capacity bridge crane. This crane will service the ingot preheat furnace, the hot rolling breakdown mill, the ingot cooling system and primary upcoiler.
- 5. One motorized (movable) crane 10-ton capacity for servicing the scarfing mill area.
- 6. One passenger escalator. This escalator to be used to lift visitors to the visitors' viewing gallery.

Scrap Balers

#### Item No. 15

- The return scrap from the rolling, trimming, scarfing, and blanking operations will require baling for return to the metal makeup area.
- 2. The balers required should be able to compress 7.5 tons per hour of 0.4" down to 0.035" thick material into bales approximately  $12" \times 12" \times 18"$  weighing about 700 lbs.
- 3. The balers should be above floor level, fed by a floor level collecting conveyor, a charging elevator, and a hydraulic ramming chamber.
- 4. Floor space required 20' x 40'; this includes the collecting and dumping space around the collecting conveyor.
- 5. This unit would require several intermittently operated motors totaling approximately 25 HP.
- 6. Only one baler is shown in the layout drawings. Consideration should be given to locating a second baler near the blanking operation.

#### Intermediate Mill

Item No. 16

#### 1. Description of Item/Operation

Intermediate four-high mill complete with the following auxiliaries: powered heavy-duty return conveyor system, sticker horn with overhead handling device, adjustable entry and delivery guides, powered screwdown system, load cells, payoff reel with tension control, three roll upcoiler with overhead handling device, take-up reel, oil mist lub. system, grease lub. system, central hydraulic system, roll coolant system, fog exhaust system, entry and exit air wipes, x-ray thickness gauge, other auxiliaries and spares.

The mill receives coils approximately 32"  $\times$  .35", nominally 20" ID and 40" OD and 11,500 lbs. After several passes through the mill, the strip (.100") is coiled and transferred to the finishing mill.

The returner conveyor system and coil removal system should be at floor level.

2. Capacity Required (Tons/Hour, Units/Hour)

Average throughput capacity is 17,3 tons/hr. Actual equipment capacity must allow for down time.

3. Power Requirements (Approximate)

1,750 HP for main drive and power required for numerous auxiliaries.

4. Water Requirements

Water required to support systems mentioned above.

5. Space Requirements (Approximate)

80' L  $\times$  65' W  $\times$  12' above floor and 7' below.

6. <u>Maintenance Requirements</u> (Estimated Down Time, Special Tools or Materials)

Down time is estimated at 25%. Special tools required are roll grinder and roll changing cradle.

7. Potential Pollution Problems/Solutions

Environmental problems are fumes, oil, grease, metal dust and rolling coolant. Ventilation hood for fumes is desirable.

8. <u>General Matters</u> (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Standardize on the bearings and rolls of Intermediate Mill and Finish Mills.

Finishing Mill

Item No. 17

#### 1. Description of Item/Operation

Finishing four-high reversing mill complete with the following auxiliaries: conveyors, payoff reel coil buggy, payoff reels and holddown feed rolls, entry pinch rolls and adjustable guides, adjustable delivery guides, tension reels, delivery tension reel coil buggy, entry and exit air wipes, belt wrappers, oil mist lub. system, grease lub. system, central hydraulic system, roll coolant system, fog exhaust system, load cells, powered screwdown system with x-ray thickness control, other auxiliaries and spares.

The mill receives coils approximately 32"  $\times$  .115", nominally 20" ID and 40" OD and 11,500 lbs. After several passes the finished strip (.035" - .050") is transferred to the slitter.

Payoff and take-up systems should be as close to floor level as possible.

This equipment is to be purchased.

## 2. Capacity Required (Tons/Hour, Units/Hour)

Average throughput capacity is 17.3 tons/hr. Actual equipment capacity must allow for down time.

## 3. Power Requirements (Approximate)

1,500 HP for main drive, plus power required for numerous auxiliaries.

### 4. Water Requirements

Water required to support systems mentioned above.

## 5. Space Requirements (Approximate)

85' L x 70' W x 12' above floor and 7' below.

# 6. <u>Maintenance Requirements</u> (Estimated Down Time, Special Tools or Materials)

Down time is estimated at 25%. Special tools required are roll grinder and roll changing cradle.

7. Potential Pollution Problems/Solutions

Environmental problems are fumes, oil, grease, metal fines and rolling coolant. Ventilation hood for fumes is desirable.

8. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Standardize on the bearings and rolls of Intermediate Mill and Finish Mills.

Slitter - Trimmer

Item No. 18

## 1. Description of Item/Operation

Slitter and trimming equipment complete with the following auxiliaries: entry conveyor, entry coil buggy, payoff reel with edge guide, in-line coil prep. equipment, shear, scrap chopping equipment, edge trim upcoiler, tension reel, coil tilter, coil conveyor, manual coil strapping equipment, grease lub. system, hydraulic system, other auxiliaries and spares, including spare slitting head.

The slitter-trimmer receives .035" - .115" strip in 32" wide coils, nominally 20" ID  $\times$  40" OD and 11,500 lbs. The coils are trimmed and slit into (2) 15" wide strips, coiled, and banded.

The above equipment is to be purchased.

A small slitter capable of trimming 12" strip will be relocated from the present Denver Mint.

2. Capacity Required (Tons/Hour, Units/Hour)

Average throughput capacity is 17.3 tons/hr. Actual equipment capacity must allow for down time.

3. Power Requirements

Power required to operate equipment mentioned above.

4. Space Requirements (Horizontal & Vertical)

120' L x 70' W, plus space for small slitter.

5. <u>Maintenance Requirements</u> (Estimated Down Time, Special Tools or Materials)

Down time is estimated at 25%. Special tools required are grinders for sharpening slitter and chopper blades.

6. Potential Pollution Problems/Solutions

Environmental problem is noise at chopper. Chopper should have sound abatement enclosure.

7. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Quick change arrangement is desirable for chopper blades and slitter discs.

Coil Storage Areas in Coining Facility (Plate #2, Preliminary Space Survey)

#### Item No. 19

- 1. The design requirement for storage of coils should be seven operating days for both surge and feed. Feed storage for the intermediate mill is the discharge storage from the scarfing mill located in the Melting and Hot Rolling Section, Plate #1.
- 2. In the central section of the Coining Facility, between the blanking presses and the rolling mills, there are six floor spaces. Each of the spaces will store 240 coils, two high. Thus, the space as laid out will store 1,440 coils. This approximates 360 coils in storage for feed and surge capacity for the intermediate mill, the finish mill, and the slitter, plus 360 coils of feed storage for the blanking presses.
- 3. Another area near the entrance will provide temporary storage for 240 coils from the strip facility and clad coil from outside suppliers.
- 4. This total coil storage area, approximately 11,200 sq. ft. of floor space, will store about seven operating days of coil storage, both for surge and feed to the process units.

#### Bell Annealing Furnaces

Item No. 20

## 1. Description of Item/Operation

It may be necessary to anneal cupro-nickel coils that are to be produced in Denver and shipped to the Philadelphia Mint for the purpose of manufacturing clad strip. For efficient bonding, the coils must be annealed in a bell-type furnace using a protective atmosphere generator in order to yield a bright, oxide free surface and a minimum hardness. An annealing temperature of approximately 1200° F. is required.

## 2. Capacity Required (Tons/Hour, Units/Hour)

1.8 tons per hour average throughput. Actual capacity must be greater to allow for down time. Equipment required are furnaces, inner hoods, cooling hoods, an exothermic generator with dryer and separation pallets. Furnaces must be complete with all controls and auxiliaries to process the coiled strip. All equipment is to be purchased.

#### 3. Coolant Requirements

Water at approximately 40 degrees F. is required to douse the cooling hoods in bell annealers to shorten cooling cycle and thus increase hourly production.

#### 4. Space Requirements

Approximately 48 feet by 70 feet for furnaces, hoods, and pallets, plus approximately 1,500 square feet for storage of coils.

5. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Estimated down time is 15%.

6. <u>General Matters</u> (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Special ventilation and heat removal system will be required to provide reasonable environment for employees.

#### Blanking Presses

# Item No. 21

#### 1. Description of Item/Operation

150-ton blanking presses complete with the following auxiliaries: payoff reel or cradle, scrap coiler, scrap removal system, and blank removal system. The blanking presses receive .035" - 100" strip in coils nominally 15" W x 20" ID x 40" OD and 5,250 lbs.

Replacement presses are being purchased by the Bureau of the Mint each year, thus the exact number of presses to be relocated will be determined later. Residual requirements will be met by a specific procurement for this purpose.

#### 2. Capacity Required (Tons/Hour, Units/Hour)

The number of blanking presses required has been calculated using the following parameters:

- a. Presses will operate an overall average of 250 strokes per minute.
- b. Presses will be fed 15" wide strip. Number of pieces per stroke for the various denominations will be:

Cents	20 pcs/stroke	Quarters	16 pcs/stroke
Nickels	18 pcs/stroke	Halves	13 pcs/stroke
Dimes	21 pcs/stroke	Dollars	10 pcs/stroke
Other coins	20 pcs/stroke		

c. Blanking presses will be operated two 8-hour shifts per day, 240 days per year, and the estimated effective operating time on a yearly basis will be 75%.

Using these parameters, the number of blanking presses required is:

- a. Initial requirement 12.
- b. Future requirement 4 additional for a total requirement of 16.

## 3. Power Requirements (Approximate)

- 10 HP Punch Presses
  - 8 HP Choppers
  - 3 HP Payoff Reels or Cradles
- $\overline{21}$  HP (12 now + 4 future) = 336 HP

4. Space Requirements (Approximate)

240' L x 35' W, plus future expansion of 80' L x 35' W for 4 presses.

5. <u>Maintenance Requirements</u> (Estimated Down Time, Special Tools or Materials)

Down time, estimated at 25%, has been applied in the calculation of the number of presses required. Special tools required are grinders for chopper blades and die sets.

6. Potential Pollution Problems/Solutions

Am extreme environmental problem is noise at choppers and punch presses. Blanking presses should be isolated individually or in groups to provide acoustic attenuation. Chopped scrap, 1' x 2' in length, suitable for baling is acceptable.

7. <u>General Matters</u> (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Quick change arrangement for chopper blades is required.

Blank Storage

Item No. 22

All of the strip manufactured will be blanked, except for the 9 million pounds of cupro-nickel for the Philadelphia clad bonding mill. Assuming continuous blanking, due to different alloys being processed and the necessity to store blanks for the Philadelphia Mint, 98.5 coining shifts of 1¢ blank storage, or 261.5 coining shifts of 5¢ blank storage, is required. The larger requirement is for the 1¢ blanks, which amounts to 9 million pounds. Shown on Plate #2 are 158 each 70,000 lb. storage bins, for a total storage capacity of 11 million lbs. The extra capacity is needed to allow for flexibility and for anomalies in coin demands.

Active Tank Storage for Blank Annealing

Item No. 23

The cut blanks from the blanking presses will be taken either to bin storage or placed in tanks. The tanks will provide the transfer mechanism from the blanking presses to the annealing drums. The tanks also provide a means of segregating the coin into the various denominations for the annealing operation. To effect a design capable of operating the annealers as continuously as possible, an active feed storage area must be provided. Plate #2 (Coining Facility Preliminary Space Survey) shows three areas of 4,000 lb. tanks, 34 in each area. These tanks, stacked two high, will store 816,000 lbs. of blanks. This is equivalent to about three days of operation. This amount of time will be sufficient for feed storage design in view of the large bulk storage bins installed in the blanking press area.

#### Blank Annealing & Cleaning Lines

Item No. 24

## 1. Description of Item/Operation

Blank annealing and cleaning lines consisting of the following: feed system, gas fired rotary annealing furnace, exhaust system, reducing atmosphere system, quench tank, power loader, cleaning tumbling barrel, rinsing tumbling barrel - dryer, vibrating screen, discharge conveyor system, and surge bin.

Blanks are charged by feed system into rotating hopper on the blank annealing furnace. Furnace anneals blanks in a reducing atmosphere and discharges blanks into quench tank. Power loader discharges batches of blanks into a cleaning tumbling barrel which in turn discharges into rinsing tumbling barrel and then blanks are passed through dryer. Dryer discharges blanks onto shaker screen to remove cutouts. Good blanks are transferred by discharge conveyor system to surge bin.

Two annealing and cleaning lines, plus one additional 3'  $\times$  10' vibrating screen, are available for relocation from the present Denver Mint. Remaining items are to be purchased.

## 2. Capacity Required (Tons/Hour, Units/Hour)

Capacity per annealing line, using furnaces rated at 4,000 lbs. per hour, is estimated at 3,500 lbs. per hour when processing pennies and clad coins (10¢ through 1\$), and 2,500 lbs. per hour when processing nickels. These average throughput capacities include estimated down time. Number of annealing and cleaning lines required is:

- a. Initial requirement 6
- b. Future requirement (total) 8

## 3. Power Requirements

Approximately 50 HP line (6 initially + 2 future) = 400 HP.

## 4. Water/Gas Requirements

Approximately 10 cubic feet per hour of gas and 40 gallons per hour of water for each annealing/cleaning line.

## 5. Space Requirements

90' L x 120' W x 13' H for initial installation, plus future expansion of 90' L x 40' W x 13' H.

## 6. Potential Pollution Problems/Solutions

Environmental problems are noise, oil fumes and CO from annealer, metal dust from dryer, metal particles, cleaning compounds in water, plus excessive heat and humidity. Because of the heat and humidity, the annealing and cleaning area should be separated from the remainder of the coining building, keeping in consideration the necessity for processing materials through the area.

7. <u>General Matters</u> (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

The layout shown on Plate #2 is based on furnaces and associated cleaning lines rated at 4,000 lbs. per hour capacity. The use of 8,000 lbs. per hour capacity lines for 1¢ pieces should be analyzed.

# Annealed Blank Storage Item No. 25

- 1. Preliminary design is based on receiving blanks from the annealers and delivering them to the upset mills, either by an automatic line or by tank transport. Plate #2 (Coining Facility Preliminary Space Survey) shows 204 4,000 lb. tanks for a storage capacity of 816,000 lbs. This provides for three days supply of blanks from the annealers to active storage for the upset mills. This designated capacity matches the active segregated feed to the annealers. The three days capacity is adequate, in view of the large bulk blank storage available in the blanking area.
- 2. Automatic line versus tank delivery must be studied, both physically and economically.

Upsetting Mills

Item No. 26

## 1. Description of Item/Operation

Upsetting mills complete with the following auxiliaries: feeder troughs, feeder bowls, and metal sensors. Annealed blanks are upset by rolling the blanks between a grooved disc and a grooved segment.

Four automatic upsetting mills now in use are to be transferred to the new mint. Remaining requirements are to be purchased.

## 2. Capacity Required (Tons/Hour, Units/Hour)

Upsetting mills required (including coverage of down time and 5% loss in coining) are as follows:

		Initial Requirement		Future Requirement	
	Pcs/Hr.	Coins Req'd.	Machines	Coins Req'd.	Machines
1¢ 5¢	400,000 240,000	6,780,000,000 450,000,000	6	9,000,000,000	
10¢ Other coins	,	160,000,000) 120,000,000)		160,000,000	))
25¢ 50¢ \$1	150,000 120,000 90,000	80,000,000) 40,000,000) 40,000,000)		80,000,000 40,000,000 40,000,000	0)1
		Spare	1	Spare	1
		Present Req.	9	Future Req.	12

## 3. Power Requirements

Approximately 4 HP required for each upset mill.

## 4. Space Requirements (Approximate)

140' L x 20' W, plus future expansion of 30' L x 20' W.

# 5. <u>Maintenance Requirements</u> (Estimated Down Time, Special Tools or Materials)

Special tools are segment grinder and overhead lift for changing discs.

6. <u>General Matters</u> (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Special feed and discharge design will be required for the upset mills in the automatic lines.

Upset Blank Storage

Item No. 27

- 1. The upsetting mills will receive the annealed blanks, segregated by denomination, either automatically or from tanks. The upset mills will deliver the milled blanks, either by tank or automatic line, to storage chutes along the coining lines. These chutes, with a design capacity of 6,000 lbs. each, would constitute a storage capacity of 720,000 lbs. This would represent about three days supply of milled blanks. Milled blanks could also be stored in tanks, or in bulk storage blank bins. This design would represent a large surge and feed capacity between the upset mills and coin presses.
- Automatic line versus tank delivery must be studied, both physically and economically.

Coin Presses

Item No. 28

#### 1. Description of Item/Operation

Coin presses with auxiliaries (supply hopper, hopper vibrator, flow switch, feeder bowl assembly) are required for stamping the quantities of coins listed in the planning criteria.

A double-deck shaker is required for use with each coin press to separate "snakes" and blanks from normal coins and transfer coins to either a conveyor or tote boxes.

The planned system for operating coining presses is:

- a. The 1¢ production lines will be operated each workday throughout the year. These lines should be analyzed for the feasibility of providing options for either automatic conveyor feed operation and/or individual press hopper feed from coin tanks moved by forklift trucks. Space for installation of presses required for future 1¢ production requirements should be planned so that these additional presses can be integrated into the automatic conveyor fed system. All presses in the 1¢ production lines must be compatible with respect to automatic feed and discharge.
- b. Presses for all the other denominations will be operated as required to meet the coin demand throughout the year Space must be provided to allow for future installation of the eleven (11) additional presses required for coining 5¢ pieces. All of these presses are planned for individual hopper feed, unless analysis indicates savings can be achieved by conveyor feed.
- c. To provide for future flexibility, approximately 120 spaces should be provided for coin presses, as shown on the Coining Facility Preliminary Space Survey

Replacement presses are being purchased by the Bureau of the Mint each year, thus the exact number of presses to be relocated will be determined later. Residual requirements will be met by a specific procurement for this purpose.

## 2. <u>Capacity Required</u> (Tons/Hour, Units/Hour)

Based on using presses capable of striking four pennies, dimes or nickels per stroke and two higher denomination coins per stroke, 135 strokes per minute, two 8-hour shifts per day, 240 days per year, and 80% estimated running time, presses required, and assets available as of 1 September 1972, for relocation from the present Denver Mint, are:

#### a. Initial requirement

Denomination	Presses Required	Available For Relocation
1¢	72	14-Bliss 6k200 10-Columbia
5¢	5	None
10¢	2	None
25¢ ) Other coins ) 50¢ ) \$1 )	6	1-Columbia

#### b. Future requirement

Denomination	Presses Required	Available For Relocation
1¢	96	14-Bliss 6K200 10-Columbia
5¢	16	None
10¢	2	None
25¢ ) Other coins ) 50¢ ) \$1 )	6	1-Columbia

## 3. Power Requirements (Approximate)

#### Presses:

Initial requirement: 85 presses @ 10 HP = 850 HP Future additions: 35 presses @ 10 HP = 350 HP Total  $\overline{1200 \text{ HP}}$ 

Power required also for automated coin lines and double-deck shakers.

# 4. Space Requirements (Horizontal & Vertical)

Approximately 140 feet by 130 feet, plus expansion space of 140 feet by 30 feet.

5. Storage/Surge Requirements

Presses will be fed either directly from blank annealers or from annealed blank storage area.

6. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Down time for maintenance, repairs, die changing and lost shift time is estimated at 20%.

7. Potential Pollution Problems/Solutions

Noise from presses and chutes will require analysis and noise abatement treatment, if required.

8. <u>General Matters</u> (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Excellent lighting required for setting of dies and inspection of coins.

All equipment and production lines must be laid out for good accessibility for operation and maintenance.

Weighing facilities may be required for accountability.

Count and Bag Machines, Including Scales

Item No. 29

## 1. Description of Item/Operation

High speed counters receive coins from coin presses via automated handling system consisting in sequence of conveyor, bucket elevator, surge bin, chute hopper and feeder trough or semi-automated handling system consisting in sequence of portable tank, chute, hopper and feeder trough. Two counters are placed in sequence so that coins are double counted. Bags are closed with a portable sewing machine and then weighed.

The details regarding equipment to be relocated and that to be purchased will be decided later by the Bureau of the Mint.

## 2. Capacity Required (Tons/Hour, Units/Hour)

a. Counting machines required, including coverage of down time, are as follows:

	Pcs/Hr.	Initial Require	ement	Future Require	ment
	Per Mach.	Coins Req'd. Mac	chines	Coins Req'd. Ma	chines
1¢	100,000	6,780,000,000	42	9,000,000,000	56
5¢	80,000	450,000,000	4	1,500,000,000	12
10¢	60,000	160,000,000	2	160,000,000	2
25¢	60,000	80,000,000)		80,000,000)	
50¢	60,000	40,000,000)-	4	40,000,000)-	4
\$1	30,000	40,000,000)		40,000,000)	
Other coins	80,000	120,000,000)		120,000,000)	
		Spares	8	Spares	10
		TOTAL	60		84

b. One feeder trough is required for each two working counting machines and one sewing machine for each four working counting machines. Thus, these requirements are:

	Present	<u>Future</u>
Feeder troughs	26	37
Sewing machines	13 + 5 spares	19 + 6 spares

## 3. Power Requirements

Approximately 20 HP.

- 4. Space Requirements (Horizontal & Vertical)
  15' W x 140' L.
- 5. <u>Maintenance Requirements</u> (Estimated Down Time, Special Tools or Materials)

Down time is estimated at 12.5%.

- 6. Potential Pollution Problems/Solutions
  None.
- 7. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Excellent lighting is required.

#### Coin Storage Vaults

#### Item No. 30

- 1. Vault space will be provided for the storage of 45 days of coin production.
  - Reserve folding stack pallets. These are 26" wide, 40" long, and 30½" high. The underside clearance for forklift operation is 7½". The usual space allotment is 10 sq. ft. of floor space. The maximum stack is 3 high; the vault ceiling height should be 11".
  - 3. On this basis, the space requirement will be approximately 24,600 sq. ft. of actual vault space on each of three floors (6 vaults). These vaults to be serviced by 10-foot wide hallways and two 10-ton elevators.
  - 4. The individual vaults will each have three doors, using medium security locks. The whole vault storage area will be secured with two maximum security vault doors.
  - 5. The vaults will need continuous ventilation and 60-foot candle lighting.

Elevators and Cranes - Coining Facility (See Plate #2)

#### Item No. 31

The following lists the required elevators and cranes for the Intermediate Mill, Finishing Mill, Blanking, Annealing, Upsetting and Coining Areas (See Space Study Plate #2):

- 1. Three freight elevators of 20-ton capacity each. These will be required from the first floor to the balcony.
- 2. Three passenger elevators, 3,000 lbs. capacity each. One of these will service the balcony, two will service the tourist gallery.
- 3. Six freight elevators of 5-ton capacity each. These will service the mezzanine delivering blanks to the coin presses, and struck coins to the counting and bagging machines. (The requirements as to the need for these elevators will depend on the studies by the A/E as to the advisability of automating the coining lines).
- 4. One 50' span gantry crane, 10-ton capacity. This crane will service the intermediate mill, the finishing mill, bell annealers, and the trimming and slitting mill.
- 5. One 90' span 5-ton capacity bridge crane. This crane will service the blank annealing area; a movable crane for this area would be a suitable alternative, if there is difficulty involving ventilation.
- 6. One 2-ton monorail crane system 150 feet long. This monorail system will be used to handle the disk replacement for the upsetting mills.
- 7. One motorized (movable) crane, 10-ton capacity, for servicing the punch presses and coil storage areas.
- 8. Two freight elevators, 5-ton capacity each. These elevators will service the three levels of the coin storage vaults.

# Analytical Equipment

#### Item No. 32

- 1. The new mint as proposed will require considerably more analysis and quality control than does the present mint. Much design study will be required.
- 2. The analytical equipment will be located in three separate areas: the basic assaying and chemical lab in the central shop area, the precasting metal analysis in the melting area, and the quality control measuring and photographic equipment in the coining area. It will be the policy to work these into the overall designs to the best advantage as regards space required, closeness to operation, and functional use.
- 3. A basic list of requirements:
  - a. Assay furnaces and equipment moved from present mint.
  - b. Chemical assay equipment moved from present mint.
  - c. VXQ x-ray moved from present mint.
  - d. Atomic absorption unit moved from present mint.
  - e. Sampling equipment moved from present mint.
  - f. Grinding equipment moved from present mint.
  - g. Sample rolling equipment moved from present mint.
  - h. Still moved from present mint.
  - i. Sample polishing equipment moved from present mint.
  - j. Photomicrograph moved from present mint.
  - k. Hardness testing unit moved from present mint.
  - 1. Lab supplies and chemicals moved from present mint.
  - m. 1.5 meter photospectrometer to be purchased.
  - n. Cut-off saw, drills, small milling machine to be purchased.
  - o. Chemical hoods, sinks and work benches to be purchased.
  - p. Small induction melting unit to be purchased.
  - q. Coin face inspector moved from present mint.
  - r. Optical comparators moved from present mint.
  - s. Leco oxygen analyzer to be purchased.
  - t. Leco carbon analyzer to be purchased.
    u. Leco sulfur analyzer to be purchased.
  - v. Leco hydrogen analyzer to be purchased.
  - w. Delamination sorters moved from present mint.

The Assay and Quality Control Sections of the Denver Mint and the Bureau will work closely with the architect-engineers on the layout and development of these laboratories.

Roll Grinding Equipment (Plate #3 - Page 1 of 2)

Item No. 33

- 1. It will be necessary to have a facility for grinding and dressing the rolls for the hot mill, intermediate mill, finish mill, and the slitting mill. It will also be necessary to provide grinding (sharpening) equipment for the scarfing mill. Special engineering consideration will be required.
- 2. This facility, location to be determined, will use the machine tools which are to be transferred from the present mint. Some of the present machine tools will be replaced, others will be added in the course of Bureau-Denver Mint operation. However, special new requirements will be:
  - 1 Roll grinder capable of grinding 38" x 8' rolls
  - 1 Scarfing cutter grinder with indexing head
  - 1 20-ton bridge crane with roll handling attachments
- 3. Possible need for two roll grinders should be studied.

Coin Die and Collar Manufacturing (Plate #3 - Page 1 of 2)

#### Item No. 34

- 1. The criteria requires a facility for the manufacture of coin dies and collars from the hub stage.
- 2. The general machine shop tools and the heat treating furnaces now on order will be used in and with this facility. However, the following special equipment will be required along with special engineering consideration:
  - 2 Hydraulic presses for manufacture of needed collars and coining dies
  - 1 Automatic turret lathe for rough turning of die and collar stack
  - 1 Die lathe for finish work on coin dies

#### Proof Coin Facility (See Plate #4)

#### Item No. 35

- 1. In order to provide for the manufacture of 35,000,000 proof coins per year, it will be necessary to provide approximately 16,800 sq. ft. (80' wide x 210' long). This will either be integrated with the other structures or be a separate building.
- 2. The additional (to be purchased) equipment required for proof coins will be:
  - a. Cleaning tumbling barrels and rinsing tumbling barrels.
  - b. 54" wide horizontal belt moving table-type annealing furnace with generator for atmosphere control.
  - c. Two vibratory burnishers 6' diameter.
  - d. Freon drying unit.
  - e. Thirty coin presses arranged with brakes and clutches for double stamp operation.
  - f. Two automatic packaging machine lines.
  - g. Die polishing equipment.
- This facility will have to have special attention given to cleanliness, ventilation, acoustics, temperature control and lighting.

Administration/Maintenance Building (Plate #3 - Page 1 of 2, 2 of 2)

Item No. 36

The general requirements for the administration of the total facility and the maintenance shops for the total facility are outlined on Plate #3, two sheets (1 & 2). The areas, as outlined on these sheets, represent, fairly accurately, the office, shop and utility requirements for the whole mint facility. These space requirements, their general location and arrangement will require overall design and evaluation consideration.

Truck Scale

Item No. 1

#### 1. Description of Item/Operation

A recording scale is required to weigh full and empty trucks and tractor-trailers handling shipments into and out of the mint.

#### 2. Capacity Required (Tons/Hour, Units/Hour)

This scale should be located near the metal storage area of the strip production building and should have the capability of weighing trucks and tractor-trailers grossing 80,000 lbs.

See Plate #1 - Strip Production Facility.

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#### Metal Storage Area

Item No. 2

#### 1. Description of Item/Operation

Virgin and scrap metal storage area for backup metal for feeding to melting and casting. Bins are required to hold scrap return by alloy. A recording scale is required in this area.

Scrap return will approximate 50% of metal requirements, and virgin metal will provide the remaining 50%.

2. Capacity Required (Tons/Hour, Units/Hour)

Metal will be used up at the rate of 13.8 tons per hour, 24 hours per day, five days per week. Storage is required for 30 days production, or 9,936 tons.

3. Power Requirements

Building space requirements only.

4. Water Requirements

Fire protection and general building requirements only.

5. Space Requirements (Horizontal & Vertical)

Approximately 20,000 square feet. Exact requirement to be calculated.

6. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Scale should be floor level recording type with capacity of ten tons.

Docks required for unloading both rail cars and trucks. Truck docks need to have dock levelers. Inclement weather protection required at dock off-loading/building entry doors.

Good lighting and ventilation required in area.

Easy access required to all stored items and for transporting materials from docks to storage areas.

#### Melting Metal Make-up Area

Item No. 3

#### 1. Description of Item/Operation

Area required to assemble alloys of bronze, cupro-nickel and other alloys for proof coins, medals, and foreign coins. Metal will be moved to melting feed shakers in tanks by forklift trucks or by conveyor. Shears are required to chop virgin metal into small pieces. Base metal must be weighed and assembled with scrap return and fractional amounts of zinc or nickel.

Equipment to be purchased.

2. Capacity Required (Tons/ Hours, Units/Hour)

Metal make-up rate is 13.8 tons/hour, 24 hours per day for daily rate of 331.2 tons.

3. Power Requirements

Power required for two metal shears, for conveyor transporting metal from shears into bins, and possibly for conveyor transporting metal to melting furnaces.

4. Water Requirements

Normal building/work area requirements.

5. Space Requirements (Horizontal & Vertical)

Approximately 10,000 square feet.

6. Storage/Surge Requirements

Bins are required for storing various incoming metals and scrap return, segregated by metal or alloy.

7. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Scale should be floor level recording type with capacity of ten tons and an accuracy of at least  $\pm$  0.001.

A small records office is required near scale.

Adequate space should be provided to allow for good access to bins, equipment, and for movement of metal tanks to melting area.

#### Melting and Holding Furnaces

Item No. 4

#### 1. Description of Item/Operation

Melting furnaces and holding furnaces for two melting and casting stations. Each station to be equipped with three melting furnaces and one holding furnace. Furnaces to be core electric induction type and to be complete with electrical controls, hydraulic tilting equipment and necessary spares.

All equipment to be purchased.

#### 2. Capacity Required (Tons/Hour, Units/Hour)

Alloys:

95% Cu, 5% Zn 75% Cu, 25% Ni

70% Cu, 12% Ni, 18% Zn

Melting rate: 14 tons/hour average production from the two stations.

Actual equipment capacity must allow for down time.

Melting furnaces should have a capacity of 25,000 lbs. each. Holding furnaces should have a capacity of 60,000 lbs. each.

Casting rate: Two 7-ton ingots per hour from the two stations combined.

## 3. Power Requirements

60 Hertz power is required for the six melting furnaces and two holding furnaces, each with a rating of approximately 800 KW.

## 4. Water/Gas Requirements

Water required to cool furnace induction coils and furnace trans-

## 5. Space Requirements (Horizontal & Vertical)

Each melting bay will require an area 60 feet by 70 feet. Vertical clearance required is approximately 23 feet.

Space for installation of an additional melting/casting bay is to be included in the building plan.

A vibrator feed system is required for each melting furnace. Space required for vibrator is 20 feet by 10 feet.

6. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Estimated down time for maintenance and repairs is 25%. This process will be operated three shifts per day, five days per week.

7. Potential Pollution Problems/Solutions

Fumes, dust and oxidized metal should be controlled at source with built-in system to exhaust to precipitators, cyclones and scrubbers.

8. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Electric power, cooling and hydraulic systems require auxiliary backup.

Special ventilation and heat removal systems required throughout area to provide adequate, safe environment for employees. Furnaces will contain molten metal in the range 2100 - 2800 degrees F.

Layout of melting and holding furnaces should be such as to minimize length of launders for transferring molten metal from melting furnaces to holding furnaces,

#### Casting Machines

Item No. 5

## 1. Description of Item/Operation

Semi-continuous direct chill type casting machines. Machines are to cast double strands of ingots measuring 5" x 32" x 23'. Two casting units are required, positioned as closely as possible to holding furnaces. Ingots will be lifted out by overhead cranes for movement to ingot downlayer.

Casting machines are to have hydraulic slab withdrawal from the molds, are to be complete with all controls, electrical equipment and spares. All equipment to be purchased.

## 2. Capacity Required (Tons/Hour, Units/Hour)

Casting rate: two ingots (approximately 7 tons each) every two hours from each of the casting units for an overall casting rate of 13.8 tons per hour. Actual equipment capacity must allow for down time.

## 3. Power Requirements

440 V, 3 phase, 60 Hertz, A. C. power required to operate hydraulic cylinders to lower and raise ingots (4-30 HP motors) and for electrically driven mold vibrators (2-3 HP motors). 24 volt D. C. required for solenoid operated hydraulic valves.

## 4. Water/Gas Requirements

Approximately 1500 GPM of water required when casting. Cooling water requirement must be verified. Water to be recycled through filters and cooling towers.

Water manifold system required with individual flow control to each mold.

# 5. Space Requirements (Horizontal & Vertical)

10 ft. x 10 ft. horizontal and approximately 35 ft. vertical for each casting machine. Slab withdrawal from molds will be into wells recessed below level of main working floor of building.

## 6. Storage/Surge Requirements

Storage required for spare molds (12) and other miscellaneous spares.

7. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Estimated down time is 25%.

8. Potential Pollution Problems/Solutions

Fumes and dust generated during pouring and casting need to be collected at source and conveyed to precipitators and scrubbers.

9. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

An emergency system is required to allow for continuation of casting in the event of a hydraulic or electrical system failure.

Provision required for protection of equipment, wirings, controls and personnel in event of hot metal spillage.

Capability for visual inspection of casting as it emerges from the mold should be provided.

#### Downlayer and Conveyor for Handling Cast Slabs

Item No. 6

#### 1. Description of Item/Operation

One downlayer to receive cast slab delivered in vertical position by an overhead crane, rotate the slab to a horizontal position and discharge onto a conveyor. The conveyor will receive the slab and transport it to a cropping saw, thence to a weighing scale and to the ingot storage area. Ingots will be removed by overhead crane for placement in storage area or discharged directly onto feed conveyor of preheat furnace. Downlayer and conveyor, complete with all controls, electrics and spares are to be purchased.

## 2. Capacity Required (Tons/Hour, Units/Hour)

Downlayer and conveyor designed to handle 5" x 32" x 23' ingots weighing approximately 7 tons each. Two ingots will be cast per hour. However, downlayer should complete laydown cycle in not more than five (5) minutes.

#### 3. Power Requirements

Power required for operating downlayer and conveyor drives.

## 4. Space Requirements (Horizontal & Vertical)

Approximately 5 ft. by 20 ft. for downlayer. Conveyor length will depend on final approved layout of ingot processing area.

Ingot Cropping Saw and Ingot Weighing Scale

Item No. 7

#### 1. Description of Item/Operation

Hydraulically operated saw with auxiliaries to saw off ends of ingots. Scale to weigh ingots and provide record.

The ingot cropping saw and scale will be assembled with the discharge conveyor so that the ingots are delivered to the saw, then moved to the scale and finally transported to the ingot storage area.

Saw chips and cropped ends should be collected and conveyed to tanks for later removal by forklift or overhead crane.

The scale should produce a tape or card record of ingot weight with appropriate identification (ingot pumber, alloy, date).

All equipment to be purchased.

## 2. Capacity Required (Tons/Hour, Units/Hour)

Initially, 7 ton 5" x 32" x 23' ingots will be cast at the rate of two per hour. To provide for flexibility and future expansion, the cropping saw should be capable of sawing off both ends of an ingot in not more than ten minutes. Weighing would be almost instantaneous. Scale capacity should be 10 tons.

# Ingot Cropping Saw and Ingot Weighing Scale

Item No. 7

# 1. Description of Item/Operation

Hydraulically operated saw with auxiliaries to saw off ends of ingots. Scale to weigh ingots and provide record.

The ingot cropping saw and scale will be assembled with the discharge conveyor so that the ingots are delivered to the saw, then moved to the scale and finally transported to the ingot storage

Saw chips and cropped ends should be collected and conveyed to tanks for later removal by forklift or overhead crane.

The scale should produce a tape or card record of ingot weight with appropriate identification (ingot pumber, alloy, date).

All equipment to be purchased.

# 2. Capacity Required (Tons/Hour, Units/Hour)

Initially, 7 ton 5" x 32" x 23' ingots will be cast at the rate of two per hour. To provide for flexibility and future expansion, the cropping saw should be capable of sawing off both ends of an ingot in not more than ten minutes. Weighing would be almost instantaneous. Scale capacity should be 10 tons.

## Salvage Melting Area and Furnace Rebuild Area

#### Item No. 8

The following lists the requirements for the Salvage Melting Area (See Space Study Plate #1):

This area will serve as a metal reclamation area, provide hot metal for starting the large furnaces, and provide a means for melting and casting small lots, i. e., numismatic medals and foreign coins. The basic equipment for this is as follows:

- Two 175 KW induction melting furnaces 450 lbs. capacity these furnaces with their controls and motor generator sets to be moved from the present mint.
- 2. Two book molds to be moved from present mint.
- 3. Two gas fired small melting furnaces to be moved from present mint.
- 4. Two 2,000 lbs. insulated storage and transfer ladles for storing and transferring hot metal for starting the large melting furnaces.

The following lists the requirements for the Furnace Rebuild Area (See Space Study Plate #1):

This furnace rebuild area will have to be laid out with work benches, holding racks, refractory storage bins, and special tools, as required, for relining the furnaces and rebuilding the induction coil units. Estimated required area is 60 feet by 80 feet. Special ventilation required in this area.

#### Ingot Storage Area

#### Item No. 9

- 1. It will be necessary to provide at least ten days of ingot storage as follows:
  - a. An active storage area 55' x 70' serviced by an overhead crane as shown on Plate #1, Strip Production Facility. This area will store approximately six days of ingot production.
  - b. As shown on the same Plate #1, across the hot rolling conveyor, there is ample space for three or more days of inactive ingot storage. In this area the ingots will be taken from the preheat conveyor and stacked by the 20-ton bridge crane.
- 2. These storage areas will be subject to 3,000 lbs. per sq. ft. loading, caused by the 23' x 5" x 32" 7-ton slabs stacked one on another 10 or 12 high. This loading will require special design consideration.

#### Ingot Reheat and Transfer System

#### Item No. 10

- 1. It will be necessary to heat the stored 23' x 5" x 32" slabs up to 1500° 1850° F prior to rolling in the breakdown mill. Extensive economic and physical studies will be necessary in order to find the most feasible type of preheating arrangement. There are four alternatives: gas fired, oil fired, coal fired, and electral induction heating: Actual design output is six (6) slabs per hour.
- 2. Presently, it seems that the electral induction method will be the most practical. A possible arrangement using this system is shown on the layout drawing as follows:

Two 5500 KW heating coils in tandem, heating alternately for a total heating cycle of 20 minutes. Each coil would be approximately 32 feet long. Two coils, 6 feet between, plus entry and exit space, would require an overall area about 90' x 20'.

- The electral induction method would require space for power supply units, transformers, capacitor banks, and current limiting equipment for starting.
- 4. Also included must be the design and arrangement of the necessary loading, moving, and unloading equipment (conveyors, lifts, etc.) for delivery from the ingot storage area through the reheat furnace to the hot roll mill conveyor.

#### Ingot Hot Roll Facilities

Item No. 11

#### 1. Description of Item/Operation

Reversing two-high ingot hot rolling mill, complete with entry run-out conveyor, feed table, adjustable guides, edge-rolling capability, delivery run-out conveyor, spray chamber, cropping shears, upcoiler, lubrication systems, hydraulic system, coolant system, fume collection and exhaust systems, control system, roll dressing system, other auxiliaries and spares.

Automatic mill pass programming capability is required.

Ingots will be delivered to entry conveyor by preheat furnace conveyor, reduced from 5" to 0.400", spray cooled and upcoiled. Coils will be removed from upcoiler by overhead crane or forklift truck.

Mill and auxiliaries, including electrics, to be purchased.

#### 2. Capacity Required (Tons/Hour, Units/Hour)

Roll six (6) ingots per hour reducing from 5" to approximately 0.400". Ingots will be either 95-5 copper-zinc or 75-25 cupronickel and will be 5" x 32" x 23' and weigh approximately 7 tons each.

## 3. Power Requirements

3,000 - 5,000 HP D. C. for main drive, plus numerous smaller electric motors for auxiliary system.

## 4. Coolant Requirements

Water and oil required for cooling rolls. Water also required for spray cooler to reduce temperature of rolled strip to about 120° F prior to upcoiling.

## 5. Space Requirements (Horizontal & Vertical)

Approximately 25 ft. vertical and 30 ft. by 640 ft. horizontal.

6. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Estimated down time is 25%. However, rolling capacity listed in paragraph 2 above does not need to be increased to allow for this down time.

#### 7. Potential Pollution Problems/Solutions

Oil, grease, fumes and spray coolant water will require collection, filtering or precipitation before discharge outside of plant or recirculation.

8. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Spare rolls and chocks will be required.

Scale and shear scrap will require collection and return to melting and casting area.

Scarfing Mill

Item No. 12

#### 1. Description of Item/Operation

Milling equipment, to receive coils of 32" wide strip at 0.400" thickness and descale top, bottom and both sides, discharging strip at approximately 0.350" thick. Mill to be complete with uncoiler, flattener, shear, upcoiler, all controls, accessories and spares, and a vacuum scale removal and collection system. Scrap will be returned to metal make-up area for remelting. Strip coils will be loaded and removed by either movable 10-ton crane or by forklift trucks.

All equipment including electrics to be purchased.

2. Capacity Required (Tons/Hour, Units/Hour)

18.3 tons/hour average (3 coils/hour at approximately 6.1 tons/coil). Actual capacity must be increased to allow for down time.

3. Power Requirements

Power required for operating mill and scale removal system.

4. Space Requirements (Horizontal & Vertical)

Approximately 50 feet by 100 feet by 25 feet vertical.

5. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Estimated 25% down time.

Grinders required for sharpening blades.

6. Potential Pollution Problems/Solutions

Noise levels need to be checked and noise abatement treatment installed, if required.

Milled oxide dust be contained.

6. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Subunits of mill should be spread out to provide easy access for maintenance.

Coil Storage-Strip Production Facility (See Plate #1)

#### Item No. 13

- 1. It will be necessary to have approximately ten working days of coil storage as follows:
  - a. Coils from hot mill upcoiler.
  - b. Feed for the scarfing mill.
  - c. Milled coils from the scarfing mill.
- 2. ·3,000 sq. feet will accommodate 250 coils, or five-days operation, when stacked one deep. When stacked two deep, 3,000 sq. feet will store 500 coils for approximately a 10-day operation.
- 3. Three spaces approximately 30 feet wide by 100 feet long have been provided, as shown on the Preliminary Space Survey for the Strip Production Facility. There is a space on each side of the scarfing mill, and one under the balcony.

Elevators and Cranes - Strip Production Facility (See Plate #1)

#### Item No. 14

The following lists the required elevators and cranes for the Melting and Hot Rolling Area (See Space Study Plate #1):

- 1. Three freight elevators of 20-ton capacity each. These will be required from first floor to balcony and mezzanine.
- One 55' span 10-ton capacity bridge crane. This will be used to stack and store the 23' x 5" x 32" seven-ton cast slabs.
- 3. Two 90' span 30-ton capacity bridge cranes. These cranes will service the melting, furnace rebuilding and metal salvage areas.
- 4. One 65' span 20-ton capacity bridge crane. This crane will service the ingot preheat furnace, the hot rolling breakdown mill, the ingot cooling system and primary upcoiler.
- 5. One motorized (movable) crane 10-ton capacity for servicing the scarfing mill area.
- 6. One passenger escalator. This escalator to be used to lift visitors to the visitors' viewing gallery.

Scrap Baler

#### Item No. 15

- 1. The return scrap from the rolling, trimming, scarfing, and blanking operations will require baling for return to the metal make-up area.
- 2. The baler required should be able to compress 7.17 tons (10 bales) per hour of 0.4" down to 0.035" thick material into bales approximately 12" x 18" x 24" weighing about 1,400 lbs.
- The baler should be above floor level, fed by a floor level collecting conveyor, a charging elevator, and a hydraulic ramming chamber.
- 4. Floor space required 20' x 40'; this includes the collecting and dumping space around the collecting conveyor.
- 5. This unit would require several intermittently operated motors totaling approximately 25 HP.

#### Intermediate Mill

Item No. 16

#### 1. Description of Item/Operation

Intermediate four-high mill complete with the following auxiliaries: powered heavy-duty return conveyor system, sticker horn with over-head handling device, adjustable entry and delivery guides, powered screwdown system, load cells, payoff reel with tension control, three roll upcoiler with overhead handling device, oil mist lub. system, grease lub. system, central hydraulic system, roll coolant system, fog exhaust system, entry and exit air wipes, x-ray thickness gauge, other auxiliaries and spares.

The mill receives coils approximately 32" x .35", nominally 20" ID and 40" OD and 11,000 lbs. After several passes through the mill, the strip (.100") is coiled and transferred to the finishing mill.

Mill must be capable of periodically rolling small quantities of 1-1/2" x 12" x 5' ingots for special coins. These ingots are to be reduced to 0.100" thickness.

This equipment to be purchased.

2. Capacity Required (Tons/Hour, Units/Hour)

Average throughput capacity is 16.069 tons/hr or 3 coils/hr. Actual equipment capacity must allow for down time.

3. Power Requirements (Approximate)

1,750 HP for main drive and power required for numerous auxiliaries.

4. Water Requirements

. Water required to support systems mentioned above.

5. Space Requirements (Approximate)

80' L  $\times$  65' W  $\times$  12' above floor and 7' below.

6. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Down time is estimated at 25%. Special tools required are roll grinder and roll changing cradle.

7. Potential Pollution Problems/Solutions

Environmental problems are fumes, oil, grease, metal dust and rolling coolant. Ventilation hood for fumes is desirable.

8. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Standardize on the bearings and rolls of Intermediate Mill and Finish Mills.

## Finishing Mill

Item No. 17

# 1. Description of Item/Operation

Finishing four-high reversing mill complete with the following auxiliaries: conveyors, payoff reel coil buggy, payoff reels and holddown feed rolls, entry pinch rolls and adjustable guides, adjustable delivery guides, tension reels, delivery tension reel coil buggy, entry and exit air wipes, belt wrappers, oil mist lub. system, grease lub. system, central hydraulic system, roll coolant system, fog exhaust system, load cells, powered screwdown system with x-ray thickness control, other auxiliaries and spares.

The mill receives coils approximately 32" x .115", nominally 20" ID and 40" OD and 11,000 lbs. After several passes the finished strip (.035" - .050") is transferred to the slitter.

Mill must be capable of periodically rolling small quantities of 0.100" x 12" strip, reducing to a thickness of 0.035" - 0.050".

This equipment is to be purchased.

# 2. Capacity Required (Tons/Hour, Units/Hour)

Average throughput capacity is 16.069 tons/hr or 3 coils/hr. Actual equipment capacity must\_allow for down time.

# 3. Power Requirements (Approximate)

1,500 HP for main drive, plus power required for numerous auxiliaries.

## 4. Water Requirements

Water required to support systems mentioned above.

# 5. Space Requirements (Approximate)

85' L x 70' W x 12' above floor and 7' below.

# 6. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Down time is estimated at 25%. Special tools required are roll grinder and roll changing cradle.

# 7. Potential Pollution Problems/Solutions

Environmental problems are fumes, oil, grease, metal fines and rolling coolant. Ventilation hood for fumes is desirable.

8. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Standardize on the bearings and rolls of Intermediate Mill and Finish Mills.

Slitter - Trimmer

Item No. 18

## 1. Description of Item/Operation

Slitter and trimming equipment complete with the following auxiliaries: entry conveyor, entry coil buggy, payoff reel with edge guide, in-line coil prep. equipment, shear, scrap chopping equipment, tension reel, coil tilter, coil conveyor, manual coil strapping equipment, grease lub. system, hydraulic system, other auxiliaries and spares.

The slitter-trimmer receives .035" - .115" strip in 32" wide coils, nominally 20" ID x 40" OD and 11,000 lbs. The coils are trimmed and slit into (2) 15" wide strips, coiled, and banded.

The above equipment is to be purchased.

A small slitter capable of trimming 12" strip will be relocated from the present Denver Mint.

2. Capacity Required (Tons/Hour, Units/Hour)

Average throughput capacity is 16.069 tons/hr or 3 unslit coils/hr. Actual equipment capacity must allow for down time.

3. Power Requirements

Power required to operate equipment mentioned above.

4. Space Requirements (Horizontal & Vertical)

120' L x 70' W, plus space for small slitter.

5. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Down time is estimated at 25%. Special tools required are grinders for sharpening slitter and chopper blades.

6. Potential Pollution Problems/Solutions

Environmental problem is noise at chopper. Chopper should have sound, abatement enclosure.

7. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Quick change arrangement is desirable for chopper blades and slitter discs.

Coil Storage Areas in Coining Facility (Plate #2, Preliminary Space Survey)

#### Item No. 19

- 1. The design requirement for storage of coils should be seven operating days for both surge and feed. Feed storage for the intermediate mill is the discharge storage from the scarfing mill located in the Melting and Hot Rolling Section, Plate #1.
- In the central section of the Coining Facility, between the blanking presses and the rolling mills, there are six floor spaces. Each of the spaces will store 240 coils, two high. Thus, the space as laid out will store 1,440 coils. This approximates 360 coils in storage for feed and surge capacity for the intermediate mill, the finish mill, and the slitter, plus 360 coils of feed storage for the blanking presses.
- 3. Another area near the entrance will provide temporary storage for 240 coils from the strip facility and clad coil from outside suppliers.
- 4. This total coil storage area, approximately 11,200 sq. ft. of floor space, will store about seven operating days of coil storage, both for surge and feed to the process units.

#### Blanking Presses

Item No. 21

#### 1. Description of Item/Operation

100-150-ton blanking presses complete with the following auxiliaries: payoff reel or cradle, scrap chopper, scrap removal system, and blank removal system. The blanking presses receive .035" - .100" strip in coils nominally 15" W x 20" ID x 40" OD and 5,250 lbs.

Replacement presses are being purchased by the Bureau of the Mint each year, thus the exact number of presses to be relocated will be determined later. Residual requirements will be met by a specific procurement for this purpose.

#### 2. Capacity Required (Tons/Hour, Units/Hour)

The number of blanking presses required has been calculated using the following parameters:

- a. Presses will operate an an overall average of 250 strokes per minute.
- b. Presses will be fed 15" wide strip. Number of pieces per stroke for the various denominations will be:

Cents	20 pcs/stroke	Quarters	16 pcs/stroke
Nickels	18 pcs/stroke	Halves	13 pcs/stroke
Dimes	21 pcs/stroke	Dollars	10 pcs/stroke
Other coins	20 pcs/stroke		10 pestone

c. Blanking presses will be operated two 8-hour shifts per day, 240 days per year, and the estimated effective operating time on a yearly basis will be 75%.

Using these parameters, the number of blanking presses required is:

- a. Initial requirement 11. /2
- b. Future requirement 4 additional for a total requirement of

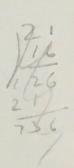
## 3. Power Requirements (Approximate)

10 HP Punch Presses

8 HP Choppers

3 HP Payoff Reels or Cradles

21 HP (12 now + 4 future) = 315 HP



- 4. Space Requirements (Approximate)
  - 240' L x 35' W, plus future expansion of 80' L x 35' W for 4 presses.
- 5. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Down time, estimated at 25%, has been applied in the calculation of the number of presses required. Special tools required are grinders for chopper blades and die sets.

6. Potential Pollution Problems/Solutions

An extreme environmental problem is noise at choppers and punch presses. Blanking presses should be isolated individually or in groups to provide acoustic attenuation.

7. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Quick change arrangement for chopper blades is required.

#### Blanking Presses

Item No. 20

## 1. Description of Item/Operation

100-150-ton blanking presses complete with the following auxiliaries: payoff reel or cradle, scrap chopper, scrap removal system, and blank removal system. The blanking presses receive .035" - .100" strip in coils nominally 15" W x 20" ID x 40" OD and 5,250 lbs. The scrap is cut in a rotary scrap chopper.

Replacement presses are being purchased by the Bureau of the Mint each year, thus the exact number of presses to be relocated will be determined later. Residual requirements will be met by a specific procurement for this purpose.

## 2. Capacity Required (Tons/Hour, Units/Hour)

The number of blanking presses required has been calculated using the following parameters:

- a. Presses will operate at an overall average of 250 strokes per minute.
- b. Presses will be fed 15" wide strip. Number of pieces per stroke for the various denominations will be:

Cents 20 pcs/stroke Quarters 16 pcs/stroke
Nickels 18 pcs/stroke Halves 13 pcs/stroke
Dimes 21 pcs/stroke Dollars 10 pcs/stroke
Other coins 20 pcs/stroke

c. Blanking presses will be operated two 8-hour shifts per day, 240 days per year, and the estimated effective operating time on a yearly basis will be 75%.

Using these parameters, the number of blanking presses required is:

- a. Initial requirement 12. + 12
- b. Future requirement 5 additional for a total requirement of

## 3. Power Requirements (Approximate)

10 HP Punch Presses

8 HP Choppers

3 HP Payoff Reels or Cradles (4) Req'd. (Future)

21 HP (12 now + 5 future) = 357 HP

12

4. Space Requirements (Approximate)

250' L x 35' W, plus future expansion of 80' L x 35' W for 5 punch presses.

5. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Down time, estimated at 25%, has been applied in the calculation of the number of presses required. Special tools required are grinders for chopper blades and die sets.

6. Potential Pollution Problems/Solutions

An extreme environmental problem is noise at choppers and punch presses. Blanking presses should be isolated individually or in groups to provide acoustic attenuation.

7. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Quick change arrangement for chopper blades is required.

Blank Storage

Item No. 21 except for the 9n

All of the strip manufactured will be blanked. Assuming continuous blanking, due to different alloys being processed and the necessity to store blanks for the Philadelphia Mint, 26 days of 1¢ blank storage, or 94 days of 5¢ blank storage, is required. The larger requirement is for 26 days of 1¢ blanks, which amounts to 7 million 1bs. Shown on Plate #2 are 158 each 70,000 lb. storage bins, for a total storage capacity of 11 million 1bs. The extra capacity is needed to allow for flexibility and for anomalies in coin demands.

Active Tank Storage for Blank Annealing

Item No. 22 3

The cut blanks from the blanking presses will be taken either to bin storage or placed in tanks. The tanks will provide the transfer mechanism from the blanking presses to the annealing drums. The tanks also provide a means of segregating the coin into the various denominations for the annealing operation. To effect a design capable of operating the annealers as continuously as possible, an active feed storage area must be provided. Plate #2 (Coining Facility Preliminary Space Survey) shows three areas of 4,000 lb. tanks, 34 in each area. These tanks, stacked two high, will store 816,000 lbs. of blanks. This is equivalent to about three days of operation. This amount of time will be sufficient for feed storage design in view of the large bulk storage bins installed in the blanking press area.

#### Blank Annealing & Cleaning Lines

Item No. 2324

## 1. Description of Item/Operation

Blank annealing and cleaning lines consisting of the following: feed system, gas fired rotary annealing furnace, exhaust system, reducing atmosphere system, quench tank, power loader, cleaning tumbling barrel, rinsing tumbling barrel - dryer, vibrating screen, discharge conveyor system, and surge bin.

Blanks are charged by feed system into rotating hopper on the blank annealing furnace. Furnace anneals blanks in a reducing atmosphere and discharges blanks into quench tank. Power loader discharges batches of blanks into a cleaning tumbling barrel which in turn discharges into rinsing tumbling barrel and then blanks are passed through dryer. Dryer discharges blanks onto shaker screen to remove cutouts. Good blanks are transferred by discharge conveyor system to surge bin.

Two annealing and cleaning lines, plus one additional 3' x 10' vibrating screen, are available for relocation from the present Denver Mint. Remaining items are to be purchased.

## 2. Capacity Required (Tons/Hour, Units/Hour)

Capacity per annealing line, using furnaces rated at 4,000 lbs. per hour, is estimated at 3,500 lbs. per hour when processing pennies and clad coins (10¢ through l\$), and 2,500 lbs. per hour when processing nickels. These average throughput capacities include estimated down time. Number of annealing and cleaning lines required is:

- a. Initial requirement 6
- b. Future requirement (total) 8

## 3. Power Requirements

Approximately 50 HP line (6 initially + 2 future) = 400 HP.

## 4. Water/Gas Requirements

Approximately 10 cubic feet per hour of gas and 40 gallons per hour of water for each annealing/cleaning line.

## 5. Space Requirements

90' L x 120' W x 13' H for initial installation, plus future expansion of 90' L x 40' W x 13' H.

## 6. Potential Pollution Problems/Solutions

Environmental problems are noise, oil fumes and CO from annealer, metal dust from dryer, metal particles, cleaning compounds in water, plus excessive heat and humidity. Because of the heat and humidity, the annealing and cleaning area should be separated from the remainder of the coining building, keeping in consideration the necessity for processing materials through the area.

## Annealed Blank Storage Item No. 24 2 5

- 1. Preliminary design is based on receiving blanks from the annealers and delivering them to the upset mills, either by an automatic line or by tank transport. Plate #2 (Coining Facility Preliminary Space Survey) shows 204 4,000 lb. tanks for a storage capacity of 816,000 lbs. This provides for three days supply of blanks from the annealers to active storage for the upset mills. This designated capacity matches the active segregated feed to the annealers. The three days capacity is adequate, in view of the large bulk blank storage available in the blanking area.
- 2. Automatic line versus tank delivery must be studied, both physically and economically.

#### Upsetting Mills

Ttem No. 25 26

## 1. Description of Item/Operation

Upsetting mills complete with the following auxiliaries: feeder troughs, feeder bowls, and metal sensors. Annealed blanks are upset by rolling the blanks between a grooved disc and a grooved segment.

Four automatic upsetting mills now in use are to be transferred to the new mint. Remaining requirements are to be purchased.

## 2. 'Capacity Required (Tons/Hour, Units/Hour)

Upsetting mills required (including coverage of down time and 5% loss in coining) are as follows:

		Initial Requiremen	it	Future Requir	rement
	Pcs/Hr.	Coins Req'd. Machi	nes	Coins Req'd. 1	Machines
1c	400,000		5	9,000,000,000	8
5¢	240,000	250,000,000 1	1	1,500,000,000	2
10c	310,000	200,000,000)		200,000,000	)
Other coins		150,000,000)		150,000,000	) ' '
25c	150,000	40,000,000)1	1	40,000,000	)1
50¢	120,000	20,000,000)		20,000,000	
\$1	90,000	40,000,000)		10,000,000	)
		Spare 1	1	Spare	1
		Present Req.	7	Future Req.	12

## 3. Power Requirements

Approximately 4 HP required for each upset mill.

4. Space Requirements (Approximate)

140' L x 20' W, plus future expansion of 30' L x 20' W.

5. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Special tools are segment grinder and overhead lift for changing discs.

6. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Special feed and discharge design will be required for the upset mills in the automatic lines.

#### Upset Blank Storage

Item No. 26 27

- 1. The upsetting mills will receive the annealed blanks, segregated by denomination, either automatically or from tanks. The upset mills will deliver the milled blanks, either by tank or automatic line, to storage bins along the coining lines. These bins, with a design capacity of 12,000 lbs. each, would constitute a storage capacity of 1,440,000 lbs. This would represent in excess of 10 days of milled blanks. Milled blanks could also be stored in tanks, or in bulk storage blank bins. This design would represent a large surge and feed capacity between the upset mills and coin presses.
- 2. Automatic line versus tank delivery must be studied, both physically and economically.

Coin Presses

Item No. 27

## 1. Description of Item/Operation

Coin presses with auxiliaries (supply hopper, hopper vibrator, flow switch, feeder bowl assembly) are required for stamping the quantities of coins listed in the planning criteria.

A double-deck shaker is required for use with each coin press to separate "snaked" and blanks from normal coins and transfer coins to either a conveyor or tote boxes.

\* The planned system for operating coining presses is:

- a. The 1¢ production lines will be operated each workday throughout the year. These lines should be analyzed for the feasibility of providing options for either automatic conveyor feed operation or individual press hopper feed from coin tanks moved by forklift trucks. Space for installation of presses required for future 1¢ production requirements should be planned so that these additional presses can be integrated into the automatic conveyor fed system. All presses in the 1¢ production lines must be compatible with respect to automatic feed and discharge.
- b. Presses for all the other denominations will be operated as required to meet the coin demand throughout the year. Space must be provided to allow for future installation of the twelve (12) additional presses required for coining 5¢ pieces. All of these presses are planned for individual hopper feed, unless analysis indicates savings can be achieved by conveyor. feed.
- c. To provide for future flexibility, approximately 120 spaces should be provided for coin presses, as shown on the Coining Facility Preliminary Space Survey.

Replacement presses are being purchased by the Bureau of the Mint each year, thus the exact number of presses to be relocated will be determined later. Residual requirements will be met by a specific procurement for this purpose.

## 2. Capacity Required (Tons/Hour, Units/Hour)

Based on using presses capable of striking four pennies, dimes or nickels per stroke and two higher denomination coins per stroke, 135 strokes per minute, two 8-hour shifts per day, 240 days per year, and 80% estimated running time, presses required, and assets available as of 1 July 1972, for relocation from the

September

present Denver Mint, are:

#### a. Initial requirement

Denomination	Presses Required
1¢	75 72
54	5 1.
5¢ ) 10¢ )	9 2
25¢ Other coins	
Other coins	6
50¢	1

Future requirement

Denomination	Presse	es Required
1¢		96
5 ¢	,	16 ,
10¢ 25¢		22 2
Other coins	32	-
50¢ \$1	)	1

Available For Relocation

14-Bliss 6K200 10-Columbia

None

None

1 - Columbia

1-Columbia

Available For Relocation

14-Bliss 6K200 10-Columbia

None

1-Columbia

3. Power Requirements (Approximate)

#### Presses:

Initial requirement: 85 presses @ 10 HP = 850 HP 34 presses @ 10 HP = 340 HP Future additions:

Total

1190 HP

Power required also for automated coin lines.and double-deck shakers.

## 4. Space Requirements (Horizontal & Vertical)

Approximately 140 feet by 130 feet, plus expansion space of 140 feet by 30 feet.

## 5. Storage/Surge Requirements

Presses will be fed either directly from blank annealers or from annealed blank storage area.

6. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Down time for maintenance, repairs, die changing and lost shift time is estimated at 20%.

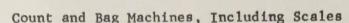
7. Potential Pollution Problems/Solutions

Noise from presses and chutes will require analysis and noise abatement treatment, if required.

8. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Excellent lighting required for setting of dies and inspection of coins.

All equipment and production lines must be laid out for good accessibility for operation and maintenance.



Item No. 28 7

#### 1. Description of Item/Operation

High speed counters receive coins from coin presses via automated handling system consisting in sequence of conveyor, bucket elevator, surge bin, chute hopper and feeder trough or semi-automated handling system consisting in sequence of portable tank, chute, hopper and feeder trough. Two counters are placed in sequence so that coins are double counted. Bags are closed with a portable sewing machine and then weighed.

Assuming that 10% of present counters, feeder troughs, and sewing machines will require replacing in the next five years, then the following transfers and purchases will be required:

Transfer (51.90%) = 45 Counting Machines
Purchase = 10 Counting Machines
Transfer (18.90%) = 16 Feeder Troughs
Purchase = 8 Feeder Troughs
Transfer (15.90%) = 13 Sewing Machines
Purchase = 1 Sewing Machine
Purchase = 2 Scales

2. Capacity Required (Tons/Hour, Units/Hour)

Design capacity of counter:

Wat to be will

(5,000 pcs/bag) 20 bags/hr Cent (4,000 pcs/bag) 20 bags/hr Nickel Dime 6 bags/hr (10,000 pcs/bag) 15 bags/hr (8,000 pcs/bag) Other 15 bags/hr (4,000 pcs/bag) Quarter 30 bags/hr (2,000 pcs/bag) Halve 30 bags/hr (1,000 pcs/bag) Dollar.

3. Power Requirements (20 HP - Approximate)

Present

Future

Counters

48 + 7 spares

Feeder troughs
24

Sewing machines

12 + 5 spares

18 + 6 spares

4. Space Requirements (Horizontal & Vertical)

15' W x 140' L.

# Count & By morhain

2	. Coposity Regime	el (Tonal House	es Unita,	Howa )	
			)		
6.	Country work	rer required	include	in conerage	
	of down time,				
		Indial Reg	4	Future Regno	romen 7
	Pes/Hr year hachine	Coins Reg'd		Coins Regit	
1		6,780,000,000	42	5 000,000,000	56
5		450,000,000		1,500,000,000	12
10	\$ 60,000	160,000,000	2	169000,000	2
25	\$ 60,000	80,000,000		80,000,000	
50		40,000,000	4	40,000,000	4
#	1 30,000	40,000,000		40,000,000	
othe	(cins 80,000	120,000,000	/	20,000,000	
		Spares	8	_	10
		TOTAL	60		84
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5. Maintenance Requirements (Estimated Down Time, Special Tools or Materials)

Down time is estimated at 12.5%.

- 6. Potential Pollution Problems/Solutions
  None.
- 7. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Excellent lighting is required.

#### Coin Storage Vaults

Item No. 29 3

- 1. Vault space will be provided for the storage of 45 days of coin production.
- 2. The storage area will be designed to store the coins on Federal Reserve folding stack pallets. These are 26" wide, 40" long, and 30-1/2" high. The underside clearance for forklift operation is 7-1/2". The usual space allotment is 10 sq. ft. of floor space. The maximum stack is 3 high; the vault ceiling height 10.
- 3. On this basis, the space requirement will be approximately 24,600 sq. ft. of actual vault space on three floors (6 vaults). These vaults to be serviced by 10-foot wide hallways and two 10-ton elevators.
- 4. The individual vaults will each have three doors, using medium security locks. The whole vault storage area will be secured with two maximum security vault doors.
- 5. The vaults will need continuous ventilation and 60-foot-candle lighting.

Elevators and Cranes - Coining Facility (See Plate #2)

Item No. 30 3 /

The following lists the required elevators and cranes for the Intermediate Mill, Finishing Mill, Blanking, Annealing, Upsetting and Coining Areas (See Space Study Plate #2):

- 1. Three freight elevators of 20-ton capacity each. These will be required from the first floor to the balcony.
- 2. Three passenger elevators, 3,000 lbs. capacity each. One of these will service the balcony, two will service the tourist gallery.
- 3. Six freight elevators of 5-ton capacity each. These will service the mezzanine delivering blanks to the coin presses, and struck coins to the counting and bagging machines. (The requirements as to the need for these elevators will depend on the studies by the A/E as to the advisability of automating the coining lines)
- 4. One 50' span gantry crane, 10-ton capacity. This crane will service the intermediate mill, the finishing mill, bell annealers, and the trimming and slitting mill.
- 5. One 90' span 5-ton capacity bridge crane. This crane will service the drum annealing area; a movable crane for this area would be a suitable alternative, if there is difficulty involving ventilation.
- 6. One 2-ton monorail crane system 150 feet long. This monorail system will be used to handle the disk replacement for the upsetting mills.
- 7. One motorized (movable) crane, 10-ton capacity, for servicing the punch presses and coil storage areas.
- 8. Two freight elevators, 5-ton capacity each. These elevators will service the three levels of the coin storage vaults.

### Analytical Equipment

## Item No. 3132

- 1. The new mint as proposed will require considerably more analysis and quality control then does the present mint. Much design study will be required.
- 2. The analytical equipment will be located in three separate areas: the basic assaying and chemical lab in the central shop area, the precasting metal analysis in the melting area, and the quality control measuring and photographic equipment in the coining area. It will be the policy to work these into the overall designs to the best advantage as regards space required, closeness to operation, and functional use.

## 3. A basic list of requirements:

- a. Assay furnaces and equipment moved from present mint.
- b. Chemical assay equipment moved from present mint.
- c. VXQ X-ray moved from present mint.
- d. Atomic absorption unit moved from present mint.
- e. Sampling equipment moved from present mint.
- f. Grinding equipment moved from present mint.
- g. Sample rolling equipment moved from present mint.
- h. Still moved from present mint.
- i. Sample polishing equipment moved from present mint.
- j. Photomicrograph moved from present mint.
- k. Hardness testing unit moved from present mint.
- 1. Lab supplies and chemicals moved from present mint.
- m. 1.5 meter photospectrometer to be purchased.
- n. Cut-off saw, drills, small milling machine to be purchased.
- o. Chemical hoods, sinks and work benches to be purchased.

The Assay and Quality Control Sections of the Denver Mint and the Bureau will work closely with the architect-engineers on the layout and development of these laboratories.

Roll Grinding Equipment (Plate #3 - Page 1 of 2)

Item No. 32

- 1. It will be necessary to have a facility for grinding and dressing the rolls for the hot mill, intermediate mill, finish mill, and the slitting mill. It will also be necessary to provide grinding (sharpening) equipment for the scarfing mill. Special engineering consideration will be required.
- 2. This facility, located next to the general machine shop, will use the machine tools which are to be transferred from the present mint. Some of the present machine tools will be replaced, others will be added in the course of Bureau-Denver Mint operation. However, special new requirements will be:
  - 1 Roll grinder capable of grinding 38" x 8' long rolls
  - 1 Scarfing cutter grinder with indexing head
  - 1 20-ton bridge crane with roll handling attachments

## Coin Die and Collar Manufacturing (Plate #3 - Page 1 of 2)

## Item No. 3334

- The criteria requires a facility for the manufacture of coin dies and collars from the hub stage.
- 2. The general machine shop tools and the heat treating furnaces now on order will be used in and with this facility. However, the following special equipment will be required along with special engineering consideration:
  - 2 Hydraulic presses for manufacture of needed collars and coining dies
  - 1 Automatic turret lathe for rough turning of die and collar stack
  - 1 Die lathe for finish work on coin dies

## Proof Coin Facility (See Plate #4)

## Item No. 34 35

- 1. In order to provide for the manufacture of 35,000,000 proof coins per year, it will be necessary to provide approximately 16,800 sq. ft. (80' wide x 210' long). This will either be integrated with the other structures or be a separate building.
- 2. The additional (to be purchased) equipment required for proof coins will be:
  - a. Cleaning tumbling barrels and rinsing tumbling barrels.
  - b. 54" wide horizontal belt moving table-type annealing furnace with generator for atmosphere control.
  - c. Two vibratory burnishers 6' diameter.
  - d. Freon drying unit.
  - e. Thirty coin presses arranged with brakes and clutches for double stamp operation.
  - f. Two automatic packaging machine lines.
  - g. Die polishing equipment.
- 3. This facility will have to have special attention given to cleanliness, ventilation, acoustics, temperature control and lighting.

Administration/Maintenance Building (Plate #3 - Page 1 of 2, 2 of 2)

Item No. 3536

The general requirements for the administration of the total facility and the maintenance shops for the total facility are outlined on Plate #3, two sheets (1 & 2). The areas, as outlined on these sheets, represent, fairly accurately, the office, shop and utility requirements for the whole mint facility. These space requirements, their general location and arrangement will require overall design and evaluation consideration.

TO Frank Rhea

Attached is the revised version of Item 20 - Bell Annealing Furnaces.

Dan

BUREAU OF THE MINT
ALAN J. GOLDMAN
ASST. DIRECTOR FOR TECHNOLOGY

## Denver Mint Criteria for New Mint

## Bell Annealing Furnaces Item #20

## 1. Description of Item/Operation

It will be necessary to anneal cupro-nickel coils that are to be produced in Denver and shipped to the Philadelphia Mint for the purpose of manufacturing clad strip. For efficient bonding, the coils must be annealed in a bell type furnace using a protective atmosphere generator in order to yield a bright, oxide free, surface and a minimum hardness. An annealing temperature of approximately 1200°F is required.

## 2. Capacity Required (Tons/Hour, Units/Hour)

1.8 tons per hour average throughput. Actual capacity must be greater to allow for down-time. Equipment required are furnaces, inner hoods, cooling hoods, an exothermic generator with dryer and separation pallets. Furnaces must be complete with all controls and auxiliaries to process the coiled strip. All equipment is to be purchased.

## 3. Coolant Requirements

Water at approximately 40 degrees F. is required to douse the cooling hoods in bell annealers to shorten cooling cycle and thus increase hourly production.

## 4. Space Requirements

Approximately 48 feet by 70 feet for furnaces, hoods, and pallets, plus approximately 1,500 square feet for storage of coils.

5. Maintenance Requirements (Estimated Down-Time, Special Tools or Materials).

Estimated down-time is 15%.

6. General Matters (Common Utilities, Safety Hazards, Special Lighting, Ventilation)

Special ventilation and heat removal system will be required to provide reasonable environment for employees.

Specific Equipment
1. Description of Item/Operations
2. <u>Capacity Required</u> (Tons/Hour, Units/Hour)
3. Power Requirements
4. Water/Gas Requirements

5. Space Requirements (Horizontal & Vertical)

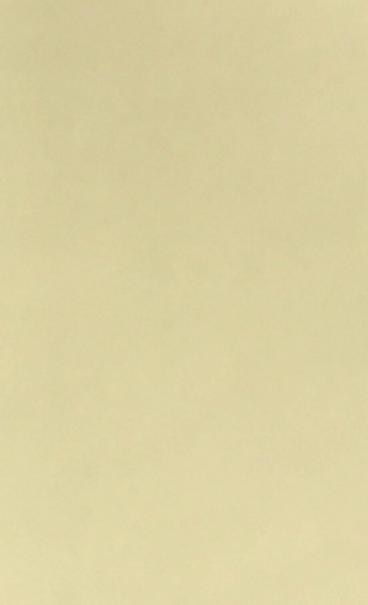
6.	<u>Manufacturers</u>
7.	Storage/Surge Requirements
8.	Maintenance Requirements (Estimated Down Time, Special Tools or Materials)
9.	Potential Pollution Problems/Solutions
10.	General Matters (Common Utilities, Safety Hazards, Special Lighting Ventilation)

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Specific Egupment / Function Critice File



Bureau of the Mont Desertors Conference Lept 17-18 - 1973



## Townsend and Bottum Engineering Company ENGINEERS AND CONSTRUCTION MANAGERS

## CONSTRUCTIBILITY ASSURANCE DURING DESIGN

C. R. Allen

Copy No. \_\_\_\_

## CONSTRUCTIBILITY ASSURANCE IN DESIGN

A constructible design is one which allows the project to be built at the lowest possible cost in the shortest practicable schedule while meeting the function the owner intends. It is the purpose of this presentation to describe a method of assuring constructibility during a design program.

This presentation has the following parts:

- Introduction
- Elements of a Constructibility Assurance Program
- Construction Input To Plant Design-Description
- Value Engineering Case Histories
- Criteria For a Constructibility Assurance Program During Design
- Preliminary Analysis of Cost of Service
- Benefit/Cost Ratio Potentials
- Some Constructibility (Cost Improvement) Elements to be Considered in Design Planning.
- APPENDIX Construction Management An Alternative to the Design-Construct Contract

C. R. Allen

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C. R. Allen

## CONSTRUCTIBILITY ASSURANCE IN DESIGN

## INTRODUCTION

The completion of a large and complex construction project on time and within budget is an event few owners have experienced in recent years. The many factors affecting costs and schedules are becoming more difficult to control each year. The degree of Government regulation increases with each session of the lawmaking bodies.

Beyond the decision of whether or not to build at all, the most controllable aspect of the project's development is design. The plant is only generally defined by its function. Very significant differences in plant costs and construction durations can be injected through design-influencing factors such as degree of conservatism, esthetics influences, willingness to expend design effort to simplify construction activities, extent of construction schedule requirement input to design, etc. The result of these factors positively influencing the design is constructibility.

Today, expensive and rigidly systematic programs have been developed for assuring the quality of a plant - both from the safety and reliability standpoints. With the tremendous cost potentials of large and complex facilities, it is now reasonable to consider such a systematic approach to assurance of the project's constructibility.

This isn't to say the Designer doesn't know his job. It is just not practical to expect a specialist in design to "think like a constructor" - especially when the release deadline nears and the design budget string draws tight.

## CONSTRUCTION MANAGEMENT DURING DESIGN PHASE

## CONSTRUCTION INPUT TO PLANT DESIGN

- THE INTENT to provide, through cooperative relationships with the design organization, an integration of the design, contracting (procurement) and construction activities to provide the plant at the lowest possible cost and within the shortest possible time frame.
- THE METHOD Through systematic review of design and engineering output from conceptual design through detailed engineering; develop construction sequences, methods, proposed economies in materials, erection, contracting division.
- THE SERVICE A professional service to be provided by a group independent of the design group with an objective view of plant needs, constructibility of design, etc. The group should not be subject to the supervision of those responsible for the design.

The complex processes that have developed to meet the needs of major industrial expansions have fragmented the overall team needed to produce a new plant into designers, purchasers and constructors. This fragmentation by specialization even reaches into those organizations that perform all these services within a single firm.

A few years ago, the designer had the opportunity, with smaller, less complex plants, to "mentally construct" his design as it was applied to paper.

Today there are few designers with significant construction experience. The pressures of meeting design schedules and budgets are so great today that the design manager's primary goal of actually producing the documents leaves him little time to consider the problems of contracting for the construction and the construction itself.

## CONSTRUCTIBILITY ASSURANCE IN DESIGN

## ELEMENTS OF A CONSTRUCTIBILITY ASSURANCE PROGRAM

To be effective, a constructibility assurance program should have the following elements:

- An organization specifically responsible for constructibility review and analysis as a primary function - not as an added assignment to some other function on the project.
- Autonomy of organizational structure to allow objective review.
- A systematic procedural approach to review, analysis, recommendations, reporting, evaluation and documentation of results.
- An atmosphere of cooperation generated by Management support of the concept of cost improvement and the awareness of the fact that no one group "knows it all".
- Qualified construction-trained and experienced personnel\* to provide the constructibility reviews and analyses.

\*NOTE The number of personnel required and the percentage of their time to be applied to the activity will vary with the project's size and complexity. On a small project, one man part time may suffice. The important aspect of manning is that the assignment should not be allowed to become subordinate to the task of producing the design.

The great leverage of construction cost over design cost now justifies a new approach to the introduction of construction technology during the design phase. This new approach consists of the formal and systematic application of construction knowledge to the design as it develops. This construction knowledge consists of basic experience in construction from actual performance of bidding, contracting and constructing plants as well as specific construction analysis and planning for the project to which the knowledge is to be applied.

A separate organization can best provide this service. Those analyzing a design for constructibility can be most objective when their reporting and administration are separate from those charged with the responsibility for production of the design. Further, the service should be a specific assignment - not one attached to some basic assignment that has more significance to or pressure from management. Experience has shown that construction planning during design is one of those items most likely to be bypassed when the pressure is on for design completion.

There has been a tendency to defer the construction knowledge input to design until the construction contractors are at work. This is too late. Design can be most effectively adjusted to construction economy needs during the initial design decision - making process. A close working relationship is required between the design group and the constructibility study group. This should be a continuous process throughout design.

The specific processes involved in the application of construction knowledge to a design program are as follows:

- 1. Develop an initial major activity construction schedule and plan during conceptual design for use as a basis for evaluation of schedule-oriented analysis.
- 2. Develop an initial project budget during conceptual design. Emphasize unit costing to allow for comparitive analysis during design.
- 3. During conceptual design, perform general review of documents. Also make specific studies:

- a. Heavy Rigging Study make analysis of the specifically identifiable heavy lifts to assure the design as it progresses incorporates the necessary provisions for access, supports and maximum use of permanent lifting capability.
- b. Construction Equipment Access Study analyze the layouts and general sequence of work to assure that maximum access is provided to the work for construction equipment to allow for minimizing the equipment fleet during construction. Also provide an equipment rental plan for construction budgeting.
- c. Temporary Facilities Layout Study Review the proposed plot plan and provide basic and alternate construction facility plans to provide for the most efficient layout and use of the available laydown space.
- 4. As design develops, perform detailed Value Engineering analyses on all structural, mechanical, electrical systems design to determine whether or not more economical systems can be employed taking into consideration such factors as material and fabrication availability and delivery; labor jurisdiction and craft practices; maintainability and reliability; ease of erection, sequence and schedule; economy of operation; service life and standardization. (Many of these inputs would of necessity come from the owners' operating experience.)
- 5. Prepare and maintain a contracting plan which defines the division of the overall project into identifiable contracting packages. This will allow design to think in terms of packages and tailor their specifications, B/M's and drawings to the needs of these packages. Determine, as early as possible, the proposed methods of contracting to allow this information to be entered into the design program. The preparation of documents for a unit-price electrical contract can be significantly more work for the design force than preparation for a cost-plus type contract.

- 6. Participate in the development of and perform the constructibility review of every contract package. The intent of this review will be to avoid the overlap or duplication of requirements, lack of information that may demand contingency be applied to bids and inefficient packaging of work items.
- 7. Prepare preliminary documentations for a pre-job jurisdictional labor markup meeting between contractors and labor unions. This document would be finalized in conjunction with contractors selected to perform the construction.
- 8. Identify and recommend corrections for labor jurisdictional problems in the design as they develop in concept to minimize effects later in the field.

#### CONSTRUCTION MANAGEMENT DURING DESIGN PHASE

<u>VALUE ENGINEERING CASE HISTORIES</u>
(\*Personal involvement in these instances)

1. SHIPYARD SAND FILL COMPACTION IN 1968\* SAVED - \$3,900,000
A large modern shipyard facility was to be constructed on a foundation of hydraulically placed Gulf-of Mexico sand.
All structures, with the exception of a 65 acre concreted area were supported on pipe piles. The concreted area was originally designed for pile supports. A design change from piles to Vibroflotation Sand densification had already effected a saving of \$9,000,000.

During the final stages of design, construction engineers investigated the use of large vibratory pile hammers to drive open end pipe piles and withdraw them as a means of sand densification. After a test program, it was determined that the specification could be changed from the proprietary Vibroflotation technique to the vibratory pile hammer probe technique. The quotation received for the proprietary system was \$4,500,000. Actual costs of the substitute process totalled \$600,000. The schedule was substantially improved also.

- 2. NUCLEAR POWER PLANT SMALL PIPING BENDING 1968 SAVED \$100,000 OR MORE

  Specification for piping under 2½ inches in diameter called for pipe bends to be 20 pipe diameters in radius. Construction engineers initiated change request to 5 pipe diameter bends (allowable by code) allowing low pressure systems to be field bent to reduce welding costs. Schedule was also improved.
- 3. WHARF PILING 1968\* SAVED \$900,000

  The design of a 6000 foot long shipfitting wharf was based on prestressed concrete piling of the grout seal type, steel 12BP53 tension piles and a large piercap to be poured in place. The available suppliers over a large area had formed a combine to bid the job on a furnish and erect basis. This combine severely limited competition. Recognizing this, construction engineers recommended development of an alternate design based on replacement of the prestressed concrete piles

3. WHARF PILING - 1968\* - SAVED \$900,000 (Continued) with concrete-filled pipe piles. Such a design was developed and was included in the bid package as an alternate.

The alternate system was the low bid by \$900,000. The concrete system was second. Under a negotiation clause in the bidding system, the concrete system bidder reduced his price and was awarded the job. The total saving was more than \$900,000.

- WHARF CONSTRUCTION 1969\* SAVED \$125,000 During the bidding stages of the construction of a 6000 foot wharf, it was recognized that a large percentage of the cost resulted from the necessity of building the wharf as a marine project utilizing barge mounted equipment. This resulted from the design of the wharf which prohibited filling on the shore side only until the entire structural section had been completed. This was overcome by altering the site development contract to include filling on the shore side and overfilling on the channel side to balance the soil/water pressures on the bulkhead. The bulkhead was erected with landbased equipment. The excess fill on the channel side was pumped to an area set aside for that purpose in the overall fill program. The cost of rehandling fill material was offset by the lower cost of wharf construction. The estimated saving is over \$125,000. There was additional benefit to the schedule as well as the benefit of opening up the competition to a larger number of firms.
- 5. REINFORCING STEEL IN MAT TOPPING 1968\* SAVED \$40,000.

  A very large concrete apron required a complex arrangement of trackage, anchorage and especially finished surfaces. To expedite construction, the 34 inch base mats were placed separately from a topping mat eight inches thick. Design dictated a temperature reinforcing of #3 bars at 10 inches o.c. each way in the topping mat.

The cost of placing #3 bars in a tied mat was 4 manhours per ton higher than placement costs for a 6 x 6 - 2/2 welded wire fabric which provided equivalent steel area. A total of 1050 tons of steel was involved. The labor saving was partially affected by a higher cost per ton of wire mesh but the resultant total saving was \$40,000.

6. EQUIPMENT INSTALLATION - METALS PRODUCTION PLANT - 1968
SAVED \$300,000

A bid package for installation of equipment in a brass mill was prepared by an engineer with no input from construction engineers.

There was significant special electrical, instrumentation and mechanical installation required along with heavy concrete

and steel foundation and gallery work. The package was not prepared for easy division into subcontracts even though subcontracting was an obvious necessity. When the bids were opened, the low bid of \$800,000 was 60 percent above the engineer's estimate. The package was completely rewritten, divided into clearly definable subcontracts and rebid. The new low bid was \$500,000, just below the engineer's estimate.

- FOCK FILL 1970\* SAVED \$256,000

  Specifications for a 1,000,000 ton rock fill job required the majority of the fill to be crushed to 6 inch maximum size. Primarily as a schedule improvement move, construction engineers requested the designer to consider some areas not requiring reexcavation to be quarry run (shot rock). The specification was changed to allow about half the fill to be shot rock thus avoiding the bottleneck and extra cost of the crushing operation. Saving was \$0.52 per ton on 493,000 tons for a total of \$256,000.
- METALS PLANT BASE SLAB STEEL 1966\* SAVED \$67,000
  An 8 foot thick base slab for metals storage in a rolling and 8. forming plant had numerous one foot deep depressions for column base plates. The slab was also depressed on the underside to maintain an 8' thickness even at the base plate areas. Top and bottom rebar mats of #18s and #14s bars were required to frame around the depressions. The required ACI projections caused a forest of heavy steel to be required. A 30 diameter projection on an #18s bar is 66 inches long. Construction engineers proposed lowering the whole slab 12 inches, allowing both steel mats to run straight through. Base plates would rest on top of the structural slab and a 12 inch topping slab reinforced for shrinkage was placed on top. The total saving was 200 tons of reinforcing steel and was slightly offset by extra concrete and finishing costs. The result was a \$67,000 reduction in a fixed price contract.
- 9. NUCLEAR POWER PLANT (BWR) SELF SHORING SLAB 1969\*
  SAVED 2 MONTHS ON CRITICAL PATH
  Early in design, construction engineers requested a selfshoring slab over the suppression chamber in a BWR nuclear
  power plant. Provision of such a slab eliminated conflict

CONSTRUCTIBILITY ASSURANCE IN DESIGN ADDITIONAL VALUE ENGINEERING CASE HISTORIES

# POWER PLANT CAR DUMPER TUNNEL - 1967 - SAVED \$150,000

A major state highway divided the car dumper site from the power plant site. A coal conveyor tunnel was to pass under the highway. Original construction plans called for construction of a detour for the highway traffic over plant property and construction of concrete tunnel through an open cut. Through consultation with the Owner, a specialty subcontractor, construction engineers developed a method of jacking a large concrete pipe under the highway to serve as housing for the coal conveyor. While the cost of the tunnel as built was approximately the same as originally planned, a saving in cost of building a detour, moving a coal stockpile, relocating fences and replacing roadways amounted to approximately \$150,000.

# POWER PLANT GENERATOR STATOR RIGGING - 1968 - SAVED OVER \$1,000,000

Original plans called for the generator stators to be delivered on a rail car on a temporary track adjacent to the turbine foundation and raised to the foundation utilizing a jacking or lifting structure of some type. Initial plant equipment layouts coupled with generator delivery dates indicated that a lot of structural steel, pipe, equipment and electrical switchgear would be delayed until far too late in the project if we did not find an alternate method of moving the generators onto their foundations. Through working with the Owner's designers and a rigging contractor, a method was developed whereby a lifting device was erected which picked the generator stator from a track outside the building, hoisted the stator to the operating floor elevation and moved it horizontally through an opening in the turbine house wall and set it on the foundation in one move. Building steel design was co-ordinated so that all four units could be handled in this manner. Work could then proceed and nothing would be held up by delivery of these generators. The solution to this problem avoided our having to "crash' the schedule on a major portion of the work. The savings of overtime pay and/or possible delay in operation of any one of the four units is easily in excess of \$1,000,000.

between containment erector and structural work and allowed two months to be cut from critical path by concurrency of work activities.

#### CONSTRUCTIBILITY ASSURANCE IN DESIGN

#### CRITERIA FOR A CONSTRUCTIBILITY ASSURANCE PROGRAM

The following criteria are intended to cover the usual relationship of Owner/Engineer (Designer/Constructor (Contractors). The reader may find it necessary to adapt the intent of the criteria to his organizational system in determining which organization should perform which functions. Perhaps it may be practical to consider an organization completely separate from the three named.

These criteria may be expanded or contracted to meet the needs of a project such as Government regulation, special construction needs (housing, training programs, etc.) and other special situations.

# CRITERIA FOR A CONSTRUCTIBILITY ASSURANCE PROGRAM DURING DESIGN

An owner planning the construction of plant facilities should implement a systematic program for assuring the constructibility of the design prepared for the new plant. The intent of such a program is to assure the design provides a facility which can be constructed to meet the owner's real needs at the lowest possible cost in the shortest practicable schedule.

Design, as used herein, encompasses the production of all documents used by the owner to secure, identify, instruct and guide a construction contractor or other agency in the process of constructing the plant. The Designer is the individual in charge of the group producing those documents. The process of design includes engineering, procurement for the owner and contracting for the owner. Design documents include drawings, specifications, bills of material, requisitions, bidding instructions, purchase orders, contracts and similar items.

These criteria establish the requirements for a program for assuring the constructibility of a facility design. They are intended to be applicable to all organizations that own and construct facilities. Organizational structures and methods of operation can be adopted to meet these criteria without significant effort.

# I. ORGANIZATIONAL RELATIONSHIPS

The responsibility for securing a constructible design should rest with a level of management above that which has the responsibility for meeting design schedule and budget commitments. Recognizing that proper implementation of a constructibility assurance program will improve overall facility schedules and budgets, responsibility could be assigned to the level of management responsible for securing the completed plant on schedule and within budget.

The constructibility activity should be clearly established in writing giving authorities and responsibilities and sufficient freedom to function effectively. The work of constructibility assurance should not be a secondary assignment but should be the primary function of a force tailored in size to the complexity of the plant and size of the investment.

The constructibility activity should be given responsibility and authority to review documents, identify and recommend economies, make comparative cost studies, perform labor and material availability reviews, evaluate labor jurisdictions, make schedule impact studies, recommend design and contracting adjustments and be notified of the implementation of recommendations.

#### II. DEVELOPMENT OF MEASUREMENT BASELINES

During the early planning stages of the project, measurement baselines should be developed to provide for evaluation of the design from a functional, cost and schedule standpoint. These baselines include:

#### A. Functional Criteria

A criteria document should be prepared to generally describe the functional requirements of the plant such as:

- Process criteria capacities of process systems, special safety features, controls, loading, etc.
- Space requirements square footages, floor loadings, overhead clearances, utility requirements, etc. for non-process space.
- Definition of the extent to which esthetic considerations will govern the design both externally and internally.
- Environmental criteria for the plant area and for the plant process.
- Such other criteria as may be applicable to the facility in question.

A conceptual design, with outline specifications, lists of equipment, process diagrams, etc. will accompany the functional criteria.

#### B. Basic Estimate

A basic estimate of plant cost should be developed based on the functional criteria and conceptual design. This estimate should provide the overall quantities of major materials and unit costs for all significant material and labor items.

#### C. Design / Procurement / Construction Schedule

A schedule, detailed to the design package/purchase order/ major construction activity level, should be produced based on the criteria, conceptual design and basic estimate.

These documents should be kept up to date and controlled as design progresses and should be used as a tool in evaluating the design constructibility by system and commodity.

#### III. DESIGN REVIEWS

A system should be established at the beginning of criteria development and conceptual design to assure the design is based on proven construction technology. This system should provide for review by the constructibility activity of all designs and design documents. The Designer should systematically provide such documents in a formal transmittal and should receive constructibility input as a formal information transmittal or report. The constructibility activity should participate in design meetings and other meetings where decisions are made that will affect cost or schedule.

### IV. VALUE ENGINEERING ANALYSIS AND REPORTS

Formal Value Engineering analyses should be accomplished under the constructibility assurance program. These should be integrated with regular design reviews. The analyses will require input from the Designer to assure their validity.

Value Engineering Change Proposals should assess the following:

Description of design as now envisioned and as proposed.

Function to be served by the design

- Reevaluation of the function, if appropriate
- How the proposed change meets the function
- Anticipated cost saving (Detailed cost estimate)

Anticipated effect on service life

- Anticipated effect on maintainability
- Anticipated effect on economy of operation
- Effect on schedule design and construction

• Other pertinent data

An atmosphere of cooperation should be created in the program to allow for unbiased review of design and value engineering change proposals. The Designer should examine and render opinions on all change proposals that affect or involve design factors.

The VECP should be documented as accepted or rejected and the implementation of accepted VECPs should be noted by revision of design documents.

#### V. CONTRACT PACKAGING

During the early stages of design, a contracting plan should be developed. The initial plan should contain preliminary decisions for divisions of the construction work into logical contracts and for establishment of the types of contracts to be implemented. These contracts should be identified in time on the schedule. The constructibility activity should have responsibility for preparation of the contracting plan or should have an active part in its preparation.

As design progresses, the contracting plan should be updated to incorporate changes resulting from new information.

As contracting packages are produced by Design, the constructibility activity should review for the following:

- Availability of Experienced Contractors to bid the work
- Labor jurisdictional considerations
- Clarity and completeness of the contract documents
- Overlap or duplication of responsibilities of other contracts
- Validity of schedules and sequences
- Availability of site facilities, utilities and storage space
- Completeness of coverage and applicability of other general conditions clauses
- Proper application of bidding forms
- Proper definitions for unit price item measurement and incentive clause performance evaluation

These activities should be applied to all contracts or purchase orders that require the expenditure of labor in the field either directly or through subcontracts.

#### VI. DELIVERY COORDINATION

As the project schedule is developed to include procurement, a detailed procurement coordination plan should be produced. The constructibility activity should develop or participate extensively in the development of construction interface requirements for the procurement plan. Such requirements include:

- Packaging and shipping instructions
- Delivery requirements dates for releases of portions of shipments
- Identification
- Installation and storage instruction requirements
- Construction or checkout spares requirements
- Installation Engineer and/or Startup Engineer Services
- Coordination with labor jurisdiction and work rules requirements

The constructibility activity should review procurement documents to assure the construction interface requirements are included.

#### VII. LABOR CONTROL INPUTS

From the very beginning of the project design work, the constructibility activity should be given the responsibility for and information to allow provision of labor control inputs to the design effort. Such inputs consist of:

- Labor jurisdictional advice for design and procurement decisions
- Construction manpower leveling flexibility capability in the design, procurement and construction schedules
- Site layout including temporary facilities to implement efficient movement of men, material and construction equipment on project.
- Offsite fabrication decisions (prefabrication of concrete members, etc)
- Construction Safety requirements in design documents and contracts

#### VIII. CONSTRUCTION SAFETY REVIEW

As part of the general constructibility review, the constructibility activity should analyze the design documents for provisions for construction safety. The requirements of the Occupational Safety and Health Act relating to construction are of such significance that specified construction processes should be reviewed to assure those processes, the equipment used and other aspects of the work meet those requirements. The impact of the law on costs should be identified to assure accuracy of the budget.

An added or optional activity would be the review of design documents for compliance with OSHA for the plant itself.

#### IX. ENVIRONMENTAL REVIEW

During design, the constructibility activity should review and analyze the potential detrimental effects that construction activities might have on the environment of the plant construction area. Examples of such effects are:

 silting or other contamination of water courses from earthmoving operations

- Pollution of the atmosphere from trashburning and similar processes.
- Noise pollution from:
   Equipment operation, particularly off-shift work
   Drilling, breaking or blasting
- Effects of construction traffic on local roads as a result of materials handling, tradesmen access to the site, etc.
- Effects of influx of tradesmen, etc. on local facilities such as schools, businesses and housing
- General construction public relations

The constructibility activity should provide recommendations relative to the minimization of such effects and methods to be employed to assure codes and statutes are met.

#### X. DOCUMENTATION OF RESULTS

The constructibility activity should document the results of their reviews and studies in formal reports. Recommendations for economies that affect design should be directed in writing to the Designer. Such recommendations should include sufficient data to identify the value of implementation including the potential cost of design, delay in design release and its impact on schedules, construction cost savings, construction schedule improvements, etc.

Periodic reports should be prepared to identify recommendations made and actions taken. The results should be reflected in revised job schedules and budgets.

#### CONSTRUCTIBILITY ASSURANCE IN DESIGN

#### PRELIMINARY ANALYSIS OF COST OF SERVICE

This analysis is based on a 3 year design duration for a major nuclear power installation. Although design activities may continue beyond a three year period, those activities are by that time reduced to routine design and drafting which should not have significant constructibility problems.

#### ESTIMATED STAFF SCHEDULE

TITLE General Construction Consultant		2nd Year 3rd Year 2/3 time 1/3 time	
Structural Construction Engineer	Full time	1/2 time 1/4 time	1 3/4 years
Mechanical Construction Engineer	1/2 time	Full time 1/2 time	2 years
Electrical & Instrum. Constr. Engineer	1/4 time	1/2 time Full time	1 3/4 years
Clerk/Draftsman	Full time	1/2 time 1/2 time	2 years

9 man years

or 18,720 manhours

Typical average direct Payroll cost is \$18,000/man year

9 x \$18,000 = Overhead, etc. @ 70%	\$162,000 113,400
Travel, Other Costs Allow	\$275,400 25,000
APPROX IMATELY	\$300,000

#### CONSTRUCTIBILITY ASSURANCE IN DESIGN

#### BENEFIT/COST RATIOS

Based on \$300,000 cost of services some examples of potential savings and their ratios to costs are provided. These examples are based on the budget quantities of a nuclear power plant but many other large projects might have similar ratios as the cost of service is directly related to the magnitude of the design effort.

3.3

1.0

1.35

4.0

1.	Direct Construction Labor
	The direct construction labor cost is in excess of
	\$50,000,000. If a 2 percent efficiency improvement
	were obtained by improving site layout, facilitating
	access, adjusting schedule priorities to secure
	winter close-in, solving jurisdictional problems,
	etc. BENEFIT/COST would be

COST would be .....

4.	Subcontracts Total values of subcontracts, in excess of the \$50,000,000 direct labor value, could be over \$40,000,000. It is not unreasonable to assume that constructibility analysis could clarify the subcontracts for bidding by a 3 percent value. Should this occur, the BENEFIT/COST would be	4.0
5.	Equipment Rental The equipment rental account might exceed \$5,000,000. Improvements in access, along with an equipment plan developed with the design might readily reduce these costs 10 percent. BENEFIT/ COST would be	1.7
6.	SCHEDULE IMPROVEMENTS  By far the most fruitful field in overall cost improvement lies in schedule betterments. In a 60 month design/construction schedule, a month can easily be lost through an accumulation of minor items. Saving of a month through the effects of the above listed cost improvements is a reasonably expected result. Saving of even more time could be expected through avoidance of labor jurisdictional problems, manpower leveling efforts, etc. The value of a month of plant use could be \$4,000,000 to \$6,000,000. With the lower figure, BENEFIT/COST	

would be ..... 13.3

#### CONSTRUCTIBILITY ASSURANCE IN DESIGN

# SOME CONSTRUCTIBILITY (COST IMPROVEMENT) ELEMENTS TO BE CONSIDERED IN DESIGN PLANNING

- 1. Placement of light cranes and other construction equipment on building structures for better access.
- 2. Early design release and completion of yard underground work to allow equipment, etc. to move around site unimpeded.
- 3. Good planning for construction roadways with all-weather surfaces.
- 4. Standardization of pilasters, light beams, columns, to allow re-use of forms and repetitive preassembly of rebar cages.
- 5. Simplification of repetitive details and careful review of how repetitive details affect one another when close together (rebar overcrowding).
- 6. Selective use of self-shoring slabs to reduce shoring labor costs and to free areas below for follow-on work.
- 7. Concrete specifications that are value oriented. Failure to allow use of modern tested additives can increase cost of placement significantly. Designs should provide for all modern methods such as pumping, conveyor, etc.
- 8. Provision of spares. Embedded conduit, tubing, sleeves, etc. should be supplemented with a nominal quantity of spares to avoid costly drilling, etc. later.
- 9. Planning for early close-in of buildings for winter work and for early installation and use of permanent lighting for construction purposes.
- 10. Incorporation of monorails and lifting embedments in the facility to aid in piping erection in tight places.

11. Provision of structural independence in major buildings where practical. This allows some schedule flexibility for manpower leveling by making areas available early for critical piping and electrical trades to get underway.

### CONSTRUCTIBILITY ASSURANCE IN DESIGN

#### APPENDIX

CONSTRUCTION MANAGEMENT - AN ALTERNATIVE TO THE DESIGN CONSTRUCT CONTRACT

# Townsend and Bottum Engineering Company ENGINEERS AND CONSTRUCTION MANAGERS

CONSTRUCTION MANAGEMENT - AN ALTERNATIVE TO THE DESIGN - CONSTRUCT CONTRACT

As industrial and commercial construction projects become larger and more complex and as completion of projects on an economical and timely basis becomes more significant to the owner's success in business, new methods of managing construction begin to come forth. The great need for unification of the planning, engineering, design, procurement and construction phases of a project into a single process has become apparent.

The design-construct contract - used in some industries to a very large degree on complex facilities - is one approach to the problem as it vests the overall responsibility with a singular contractor. A few very large engineer-constructor firms are available to perform this service. The design-construct contract excludes from consideration the professional engineering firm that does not construct and the local construction firm most knowledgeable of local conditions and with a proven heavy construction track record. In effect, the construction management approach widens the field of organizations capable of effective participation in the large complex industrial projects of today.

The Construction Manager concept is not really new. Prior to the industrial revolution, the Master Builder assumed responsibilities equivalent to those of the Construction Manager. Those responsibilities include overall coordination and control of a project from the planning phase through engineering, design, procurement and construction phases to project completion. The Construction Manager works with the Owner, the Architect-Engineer and the various Contractors to secure the project completed at the lowest possible cost and within the shortest available schedule.

#### CONSTRUCTION MANAGER SERVICES

The paragraphs following generally define the services to be performed by a professional Construction Manager. These services are varied from project to project as the needs and in-house capabilities of owners vary. Those most likely to be performed by an Owner with his own staff are noted as optional. Others may also be optional on projects for Owners with extensive management staff. Even in the optional areas, however, the C-M. may have substantial input to the work performed by an Owner with his own staff. In reading the description of services, one should keep in mind the keynote for construction management is cooperative effort between the Owner, the A-E, the C-M and the various Contractors.

#### A. DURING PROJECT PLANNING

- 1. Develop preliminary construction budgets and schedules.
- 2. Project construction and procurement cash flow requirements.
- 3. Provide initial constructibility study.
  - a. Determine basic methods of construction.
  - b. Cost trade-off studies for various methods and systems.
- 4. Establish the overall Project Management and Control System to be used throughout all phases of the project.
- 5. (Optional) Provide overall procedures and communications that will control the project.
- 6. (Optional) Provide a preliminary contracting plan to determine divisions, methods and time-phasing of contract awards.

#### B. DURING DESIGN

- 1. Update project schedule to incorporate a detailed design plan and schedule furnished by A-E and based upon the optimum construction schedule.
- As design progresses, detail the procurement and construction schedules.
- 3. Review design drawings, specifications and other documents throughout the design phase in an ongoing program for:
  - a. Constructibility, construction access, equipment placement, etc.
  - b. Value engineering design criteria analysis from the construction standpoint and general economic review.
  - c. Labor jurisdiction and work rules applicability; labor availability.
  - d. Effects of design on schedule sequencing.
- 4. Identification of long-lead procurement requirements.
- 5. (Optional) Updating and Implementation of the Contracting Plan.
  - a. Determination of bidders' lists.

- b. Preparation of bid packages.
- c. Bid analysis.
- 6. Interfacing of Construction Contracts.
  - a. Review of all contract documents to assure elimination of conflicts and duplication.
  - b. Input of all applicable control (schedule), reporting and general condition requirements to construction packages.
- 7. Update detailed cost estimate to a unitized level for overall and detailed cost control.
- 8. Maintain cash flow forecasting system.
- 9. (Optional) Establish and maintain an effective project accounting system for the project.

#### C. DURING CONSTRUCTION

- 1. Coordinate, control and manage the work and progress of the Contractors on the project.
- 2. Supervise and inspect (optional) the construction work.
- 3. (Optional) Provide plant inspection on construction materials and/or equipment.
- 4. Administer construction contracts at the site, secure engineering interpretations, contract interpretations and enforce requirements of contracts in the field.
- 5. Conduct job site pre-construction and progress meetings to coordinate the efforts of all Contractors.
- 6. Maintain the overall construction schedule, detailed schedules and coordinate schedules of individual contractors for timely performance of the work.
- 7. Maintain the project estimate.
- 8. Provide a system of material control, scheduling and coordination to assure all construction materials are secured, delivered, stored and installed in the proper time and sequence.
- 9. (Optional) Expedite delivery of materials and equipment.
- 10. Establish and enforce an effective safety program for construction.

- 11. Provide overall labor relations coordination to minimize work stoppages and labor disputes.
- 12. Maintain adequate jobsite records for contractual purposes; for technical and engineering purposes and for fiscal accountability purposes.
- 13. Provide schedule and fiscal control of the project through the construction phase by implementation of a management control system.
- 14. Provide timely reports of performance and progress at both detailed and summary levels to keep the owner, the A-E and the various contractors informed of the adequacy of performance and progress in terms of cost schedule and quality of construction.
- 15. Review and process progress payments for the various contractors at the site.
- 16. (Optional) Process for payment material and equipment vendors' invoices.
- 17. (Optional) Provide overall project accounting to meet the owners' needs.
- 18. (Optional) Act as the Owner's agent in procurement of such materials and services, construction contracts, etc. as may be excluded from contracts of others.
- 19. (Optional) Provide General Conditions Services as requested:
  - a. Watchman or guard services.
  - b. Temporary facilities and buildings.
  - c. First aid station; ambulance service.
  - d. General cleanup and refuse disposal.
  - e. Surveys, lines and grades.
  - f. General scaffolding.
  - g. Multiple use construction equipment.
  - h. Miscellaneous construction and area maintenance.
  - i. Fire protection equipment and crews.
  - j. General office services.

- k. Field and laboratory material tests.
- 1. Others as required.
- 20. (Optional) Provide quality control services to meet the technical and regulatory requirements of the project and the owner.

#### QUALIFICATIONS OF A CONSTRUCTION MANAGER

- The ability to manage and coordinate, through cooperative effort, the work of several organizations into an effective team.
- On hand extensive knowledge of construction through successful experience as a Constructor.
- Labor Relations expertise through firsthand contacts with representatives of labor, locally and nationally.
- 4. Knowledge of, possession of, and experience in effective use of modern management systems and techniques as they apply to complex construction projects.
- 5. Experience in phased construction the overlap of design, procurement and construction as concurrent activities.
- 6. Ability to act as General Contractor or as Contractor on various parts of the work should the need arise.
- Proven ability in planning, scheduling and estimating costs for construction.
- 8. Quality oriented leadership; the ability to organize such that the requirements for schedule and cost performance do not override the essential quality performance of the work.
- 9. Knowledge of the construction market in the area of the project gained through construction business experience in the region.
- 10. Sufficient Home-Office support capability to reduce the peaks and valleys of construction management effort in the field during critical periods of schedule updating, estimate reviews, etc.



BUREAU OF THE MINT DIRECTOR'S CONFERENCE SEPTEMBER 17 and 18, 1973

> Old Mint Building San Francisco, California

#### DIRECTOR'S CONFERENCE, SAN FRANCISCO September 17 - 18, 1973

Monday, September 17, 1973

- 1. The conference began at 9:00 a.m. with a tour of the Old Mint Building. The meeting convened at 10:00 a.m. by Mrs. Mary Brooks, Bureau Director. After welcoming all attendees (Attachment A) and brief introductory comments, the Director introduced Deputy Director Frank H. MacDonald as Conference Chairman.
- 2. Mr. MacDonald provided information on the three previous Director's Conferences. He stated that a major objective of this conference is to increase communication between the Bureau and the field installations and among the field installations themselves.

  Mr. MacDonald also stressed the need for field personnel to be aware of the restricted funding under which the Mint is currently operating.

Mr. MacDonald introduced and gave a brief profile of the personnel recently appointed to fill critical positions in the Mint: Arnold Bresnick, Assistant Director for Administration; Deborah Duke, Marketing Specialist; William Humbert, Chief, Internal Audit; Miklos Lonkay, Attorney; Chadwick Pierce, Financial Manager; Edmund Shaw, Director, Personnel Division. He also introduced James Alliston, Attorney, Office of the General Counsel, who has worked closely with Mrs. Brooks on the legislation for the Bicentennial.

3. Outcome of the AFGE Election and Forthcoming Contract Negotiations:
Sherman O. Brawner

Mr. Brawner presented a brief history of the original AFGE petition for national exclusive recognition, the events leading to the election, and the implications of the election results. He announced the final tally of the ballots which resulted in two separate national bargaining units one of professional employees and one of non-professional employees.

The interim period following the certification of the election results is critical. The Mint must be careful in order to avoid unfair labor practice charges. No contract is in effect during this period. However, former contracts constitute past practices and should be observed. The Mint must be careful to consult with the union on any factors which might affect the working conditions of its employees. Consultation must occur at all levels of management. If any question arises as to the need for consultation, Mr. Brawner or Mr. Shaw should be contacted.

A general discussion followed (Attachment B).

# 4. Status of Items Requiring Action From April 1973 Conference: Alan J. Goldman

Dr. Goldman stressed the importance of the standardization of equipment and coin sampling techniques in increasing production flexibility and quality between and within the Mint's facilities. The goals and accomplishments of the Die and Die Tooling Committee were detailed and coin sampling procedures were clarified. Dr. Goldman's presentation was followed by a general discussion.

### 5. Mintwide Production Meeting: George G. Ambrose

Mr. Ambrose stated that the Mintwide Production Meeting will be scheduled prior to January 1974 and will stress participation by the field installations. Mr. MacDonald stated that the meeting should be conducted within 60 days and emphasized the need for continuous cooperation and interaction between the Production and Financial staffs.

### 6. Need for Improved Coin Projection: Roy C. Cahoon

Mr. Cahoon explained the need for improved coin projections and indicated that although the Federal Reserve Bank's estimates continue in error, the error factor in the Mint's coin projections has been greatly reduced. The reduced error factor of less than 2% is a result of the interaction between the Offices of Public Services and Production (Attachment C). Mr. Cahoon's presentation was followed by discussion of the current situation.

### 7. Management by Objectives (MBO) Program: Arnold Bresnick

Mr. Bresnick provided a brief history and explanation of the MBO program whose purpose is both to minimize the amount of paperwork involved in an organization's functioning and to stress evaluation of an organization's programs. The coin demand study and the development of the new Denver Mint are among the applications of MBO in the Mint. In the general discussion that followed, Mr. MacDonald stressed the applicability of this system in the standardization of Mint forms such as those used in the reporting of cost figures.

# 8. Status of the Denver Mint: Frank W. Rhea

Mr. Rhea outlined the present negotiations with GSA on the supervision of the new Mint's construction and provided a tentative timetable for its completion, which should be the summer of 1979. The designs for the new Mint will allow for an increased production capacity and a flexible strip production facility to accommodate any changes in metal content.

### 9. Status of West Point: F. H. MacDonald

Mr. MacDonald reported that a provision which would authorize coinage operations at West Point is included in the Bicentennial coinage bill. However, no final legislative action has been taken on this measure. The production of foreign coinage at West Point would alleviate the production pressures on the domestic coinage program and the expense of appropriated activities. With the passage of the bill, West Point would become a self-sufficient operation. No expenditures of funds on this activity will occur until the passage of the bill.

# 10. Paperwork Management and Management Improvement Programs: F. Barry Frere

Mr. Frere provided background on both programs. Paperwork Management involves the appraisal of the existing records management program to ensure the most efficient handling of the Department's paperwork. GSA will soon conduct a records management evaluation in the Treasury Department (Attachment D).

The Management Improvement Program corresponds to the MBO program in its emphasis on 1) the establishment of objectives, 2) the implementation of objectives, and 3) the evaluation of accomplishments. Additional guidelines on the Management Improvement Program are expected from the Department.

An example of Management Improvement is GSA's recently announced on-site survey of phones having direct access to the FTS system. GSA intends to limit access to the FTS system by approximately 50%.

#### 11. Caucus on Problems in Communication with the Bureau

Mr. Rosenbaum requested that the heads of the installations meet informally to discuss any problems their installations encounter in dealing with the Bureau.

#### 12. Implementation of EEO Program: Elmer Hinson

Mr. Hinson provided a brief history and an analysis of the Mint's EEO program (Attachment E). Areas in the Program that needed attention were emphasized and possible methods of improving the program were noted, including the development of action plans by the EEO officer rather than the personnel officer; insuring that the EEO counselors are well trained, responsive to the employees, and are individuals whom the employees trust, etc.

In the general discussion that followed, Mr. MacDonald suggested that an evaluation of the EEO counselors by the EEO officer might improve the Mint system. A reevaluation of the EEO officers may also be in order. Mr. MacDonald stated further that each field installation should make an effort to strengthen their recruitment program. Greater emphasis should be placed on EEO, awards programs, and intern programs in order to increase the talent and level of skills within each installation.

# 13. Security Improvements Based on the Secret Service Reports: James R. McGee

Mr. McGee provided a brief history of the coin theft in Philadelphia, noting the successful prosecution of the individuals involved. He outlined the measures the Mint has taken and still needs to take (Attachment F) to implement the Secret Service's recommendations to improve Mint security. Mr. McGee noted briefly the status of the OSHA recommendations. Mr. MacDonald suggested that Mr. McGee and the Financial staff work together to determine a supplement to the budget to accommodate the necessary safety and security needs.

In the discussion on security improvements that followed this presentation, Mrs. Brooks stated that guard coverage in the Old Mint Building should be increased. As a part of the effort to decrease the public debt, the Mint should no longer consider construction of a pistol range at West Point.

Mrs. Brooks emphasized the importance of screening off the production areas in all the installations. The control room should be enclosed behind bullet proof glass. Mr. MacDonald emphasized that the security officer of each facility is the only individual who should test the security posture of the installation. Installation heads were requested to submit, in writing, their reactions to the Secret Service recommendations, indicating which ones should be given immediate attention.

# 14. Intern and Executive Development Programs and Policy for Employee Education: Frederick W. Tingley

Mr. Tingley outlined the purpose and history of both the Mint's intern program and its executive development program. Both programs are designed to satisfy the needs of the field installations and, in order to do so, the installations must cooperate in making their needs known to the Bureau, e.g. specifying areas which need trained personnel.

In the discussion on the Mint's training programs that followed, Mr. MacDonald noted the flexibility and changes that have occured in the structure of the Mint's intern program and in the assignment of projects to the interns. He stressed that an intern will be assigned at the end of his training to the installation which can provide the best career opportunity for that individual.

One common difficulty encountered by all the installation heads is the criteria to be used in the determination of job related courses which would involve the Mint's paying an employee's tuition and fees. Mr. MacDonald suggested that a broad policy statement on this topic be issued.

# 15. Resident Audit Program and Proposed Changes in Settlement: William L. Humbert

Mr. Humbert outlined the actions being instituted to decentralize and improve the audit program and staff. He presented proposals for updating the Annual Settlement procedures (Attachment G). Mr. MacDonald stressed that the decentralization of the audit staff was an attempt by the Bureau to be more responsive and sensitive to the needs of the installations and to alleviate some problems continually encountered during settlement. The Director's office will be informed of problems that cannot be resolved at the installation site.

Tuesday, September 18, 1973

# 16. Budget Review, Status of Congressional Action on Budget Request, and Financial Plans: F. Barry Frere

Mr. Frere explained the Continuing Resolution under which the Mint is currently operating. He detailed the events leading to the Mint's current financial situation and the implications of the situation. (Attachments H, I).

Both he and Mr. Ambrose stressed the need for cooperation among each installation's financial office and production office to assure operation within the assigned budget. Financial plans must be updated to reflect current production assignments. Mr. MacDonald indicated the need for the Bureau to institute a policy whereby each installation is notified as to the acceptability of its financial plan within thirty days of its receipt by the Bureau.

Mr. MacDonald requested that the Mint began preparation on its justification for the Supplemental Pay Act and stressed that the Mint must be prepared with an alternate plan to absorb the pay cuts in the event that the funds are not granted. Mr. Frere outlined a number of possible measures that might be taken to absorb the cuts.

Mr. MacDonald detailed some of the Mint's difficulties in maintaining its production levels as a result of company strikes and inferior material of its strip suppliers. Such situations emphasize the Mint's need for in-house production of strip. Each installation is requested to document any case of inferior material or service and to notify G. Ambrose who in turn will notify A. Bresnick.

In the general discussion on the budget and ways of reducing costs, A. Goldman and G. Ambrose discussed the possible reduction in appropriated expenditures by the in-house production of the Taiwan five dollar strip and the purchasing of strip for domestic coins (5-cent) against the Coinage Metal Fund. Mr. MacDonald requested a production schedule and budget impact statement based on such a change.

Each installation head was asked for comments on the financial situation and its effect on their installation. Mrs. Brooks stressed the importance of the establishment and funding of an active recruitment program for engravers and apprentice engravers in Philadelphia. The program might involve international recruitment.

# 17. Reimbursable Programs: Roy C. Cahoon and George G. Ambrose

Mr. Cahoon detailed the status of the current Reimbursable programs (Attachment J) and indicated forthcoming changes which will improve the Special Coinage and Medals Division operation. Mr. Ambrose provided the production figures for the programs, indicating the particular institution involved in the production of each program.

In the discussion that followed, Mrs. Brooks announced the plans for the production of the America's First Medals series. She provided background on the history of the series; the tentative production schedules; and the composition of the medals. Orders for the medal series are expected to begin in February or March of 1974 and will be completed by July 4, 1976.

# 18. The Bicentennial Program and Status of Associated Legislation: Mary T. Brooks

Mrs. Brooks outlined the current status of the Bicentennial coin legislation which, as passed by the House and Senate, would authorize a design and date emblematic of the Bicentennial for the quarter, half-dollar, and dollar. The bill passed by the Senate, unlike the House-version of the bill, contains various provisions pertaining to gold ownership and the minting of gold coins and would also direct the minting of 60 million Bicentennial silver coins as part of the Eisenhower dollar program. The differences between the House and Senate bills are expected to be resolved in conference.

Mrs. Brooks emphasized the need for a high 1975 quarter production level to ensure sufficient quantities for circulation during the Bicentennial. She also indicated that the packaging of the Bicentennial coins will be similar to that of the Mint's proof coins to avoid difficulties in equipment changes.

#### 19. Coordination of Mint's Public Information Program: Roy C. Cahoon

Mr. Cahoon stressed the need for increased input from the field installations into the Mint Observer. The Mint Observer, as the employee's paper, should contain fewer articles on Bureau personnel and more information on field activities and personnel. Mrs. Brooks stressed that such a change would increase employee morale. She also emphasized the need for greater field involvement in the Treasury Awards Ceremony. A discussion on the Mint awards program followed.

# 20. Minor Coinage Metals and Denomination Study; Its Potential Impact: Alan J. Goldman

Dr. Goldman outlined the purposes and the goals of the current study on alternative coin composition, alternate denominations, and improved demand forecasting. He emphasized that the objectives of the study are strictly confidential. A discussion of the study's objectives followed.

#### 21. Coinage Forecast and Methods to Meet Demand: George G. Ambrose

Mr. Ambrose explained the Mint's current production program on domestic and foreign coinage and indicated the anticipated increased demand. He outlined methods of meeting this demand. A general discussion on the Mint's forecasting techniques and needs followed.

#### 22. Numismatic Order Processing and Mailing Problems: John W. Scott

Mr. Scott explained the operation of the new sorting machine and Expeed order card (Attachment K). He also outlined the difficulties that the Special Coinage and Medals Division is experiencing in the processing and mailing of orders. In the discussion that followed, Mr. MacDonald stressed that the Bureau is responsible for interfacility coordination. Any problems should be coordinated through the Bureau.

#### 23. Computer Utilization: Eugene A. Stratton

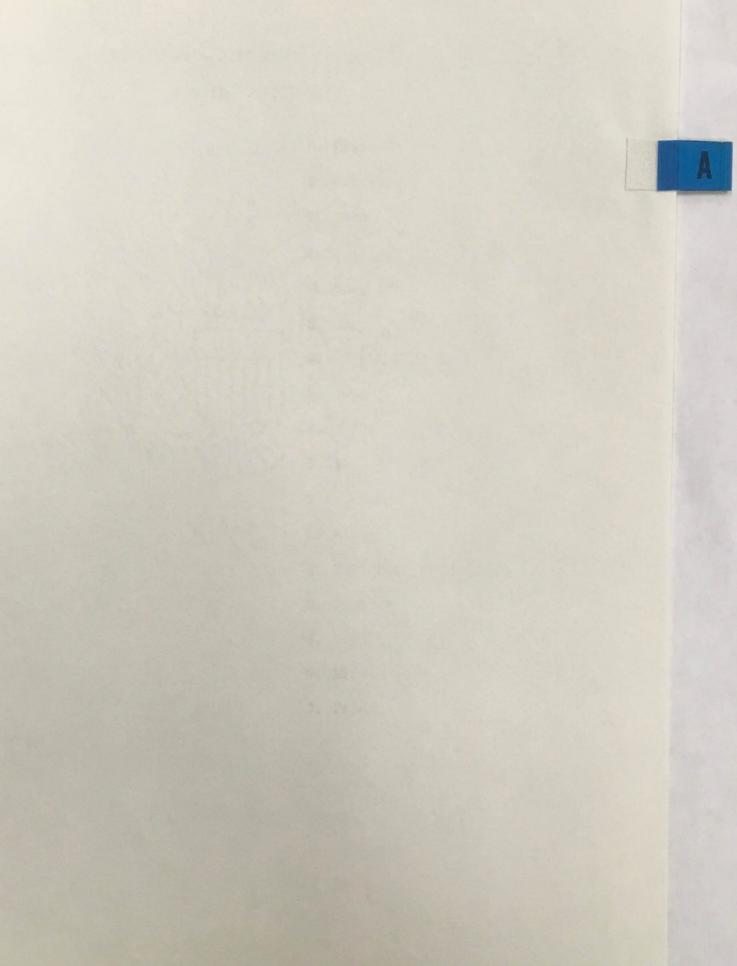
Mr. Stratton provided a history on the installation of the computer and explained the organization of the computer center. He outlined the current production status of the computer (Attachment L) and its future applications. Mr. MacDonald stressed the importance of continued coordination between the Data Center staff and the Special Coinage and Medals Division. To assure smooth operation, the Data Center staff must be informed of the numismatic program's needs.

#### 24. Caucus on Field Problems

The conference concluded with an informal caucus on individual problems of the field installations. The caucus was composed of the Director, Deputy Director, Assistant Directors, and the installation heads.

#### ATTACHMENTS

- A) LIST OF ATTENDEES
- B) LABOR MANAGEMENT DEFINITIONS
- C) NEED FOR IMPROVED COIN PROJECTIONS
- D) MEMORANDUM ON EVALUATION OF RECORDS MANAGEMENT PROGRAM
- E) MINORITY GROUP STATISTICS
- F) RECOMMENDATIONS OF SECRET SERVICE STUDY
- G) PROPOSED CHANGES IN SETTLEMENT PROCEDURES
- H) BUDGET PRESENTATION
- I) SENATE AND HOUSE REPORTS ON MINT APPROPRIATIONS
- J) SPECIAL COINAGE AND MEDAL PROGRAMS FOR CALENDAR YEAR 1974
- K) SAMPLE OF EXPEED ORDER CARD
- L) DATA CENTER DIVISION PRODUCTION



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#### ATTENDEES - DIRECTOR'S CONFERENCE

#### SAN FRANCISCO, 1973

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F. MacDonald

J. Alliston X

G. Ambrose

A. Bresnick

B. Frere

R. Cahoon

D. Duke

K. Conner

J. Scott

G. Stratton

A. Goldman

E. Hinson

M. Lonkay

W. Humbert

J. McGee

F. Rhea

C. Pierce

G. Sparks

E. Shaw

F. Tingley

S. Brawner

B. Brockenborough

G. Wright

R. Voss

N. Costanzo

J. Nugent

V. Harkin

B. Higby

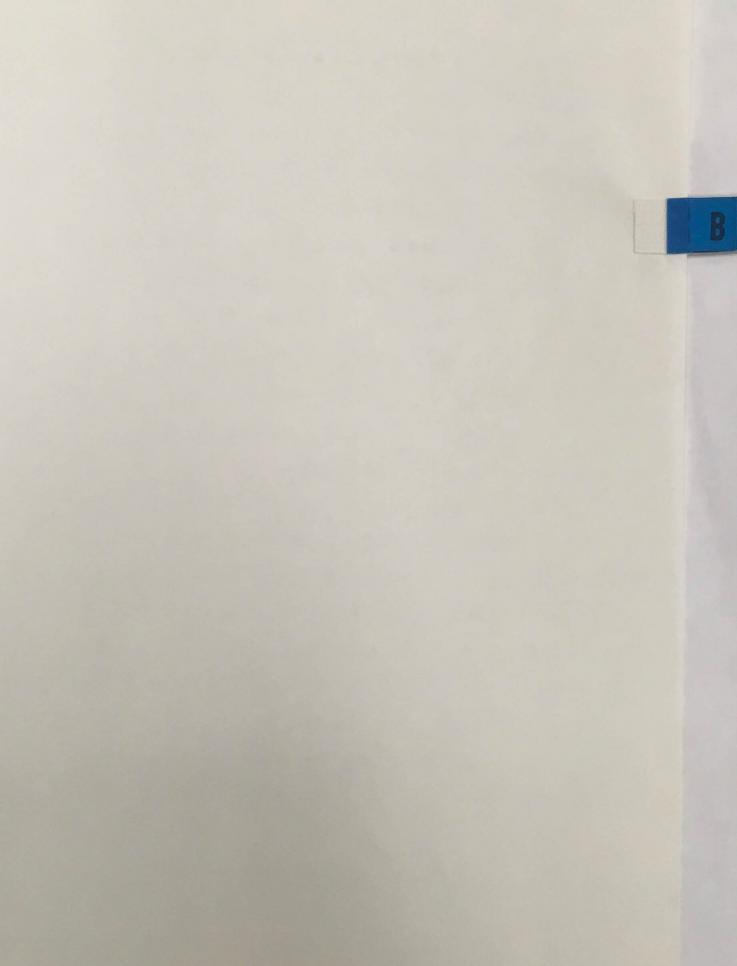
H. Lawrence

N. Theodore

S. Rosenbaum

W. Middendorf

J. Fried



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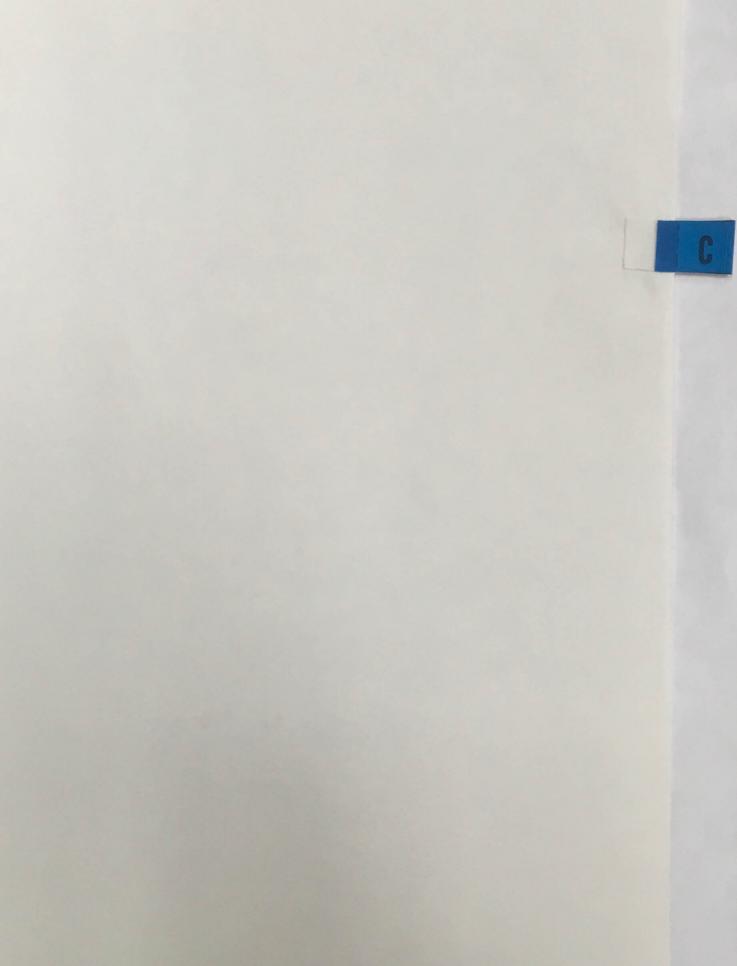
Management Official as defined by the Assistant Secretary for Labor for Labor-Management Relations, means an employee having authority to make, or to influence effectively, the making of policy necessary to the agency or activity with respect to personnel, procedures, or programs. In determining whether a given individual effectively influences policy decisions in this context, consideration should be concentrated on whether his role is that of an expert or professional rendering resource information or recommendations with respect to the policy in question, or whether his role extends beyond this to the point of active participation in the ultimate determination as to what that policy in fact will be.

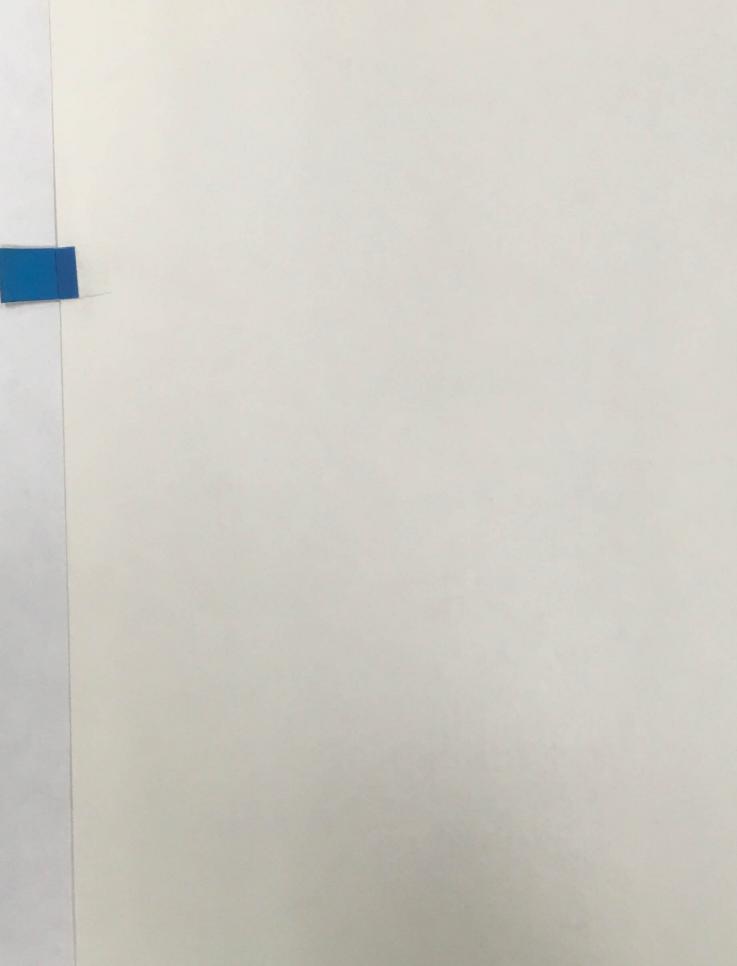
Supervisors are defined in Section 2(c) of E.O. 11491, as amended, as employees having the authority in the interest of the agency, to hire, transfer, suspend, layoff, recall, promote, discharge, assign, reward, or discipline other employees; or the responsibility to direct them, to evaluate their performance, to adjust their grievances, or to recommend such actions if, in connection with the foregoing, the exercise of authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

Confidential Employees are those employees whose participation or activity in a labor organization would result in a conflict or apparent conflict of interest or otherwise be in compatible with law or with the official duties of the employee. Employees who act in a confidential capacity with respect to officials who formulate and effectuate labor relations policy and have regular access to confidential labor relations material should be considered confidential.

<u>Professional Employees</u> are employees engaged in work (i) predominantly intellectual and varied in character as opposed to routine mental, manual,

mechanical, or physical work; (ii) involving the consistent exercise of discretion and judgment in its performance; (iii) of such character that the output produced or the result accomplished cannot be standardized in relation to a given period of time; (iv) requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital, as distinguished from a general academic education or from an apprenticeship or from training in the performance of routine mental, manual, or physical processes.





#### Background

The Office of the Secretary in its internal management study recommended that the Mint and the Federal Reserve System develop a single mutually acceptable, coordinated system for determing short and long term coin demand.

Late in December 1971 the Director of the Mint suggested that the Federal Reserve Board assume the responsibility for estimating short and long term coin needs. After the Board accepted that responsibility we experienced the usual problems that follow such changes. Naturally strong doubts developed about the Federal Reserve providing realistic estimates, and their estimates have been off many times. However, they have made much progress toward the development of a meaningful coin forcasting program.

Through close cooperation from the Office of Production and my staff, the Board and the Mint is developing a smoothe and efficient functioning system. By fiscal 1973 we had reduced our error factor to less 2 percent on a total basis. Since that time the Board staff has developed a model for estimating the demand for cents with reasonable accuracy. It may be possible to use this model in estimating all denominations.

Many additional factors are now being considered both by the banks and the Board in making their estimated coin requirements. For example, the Board is requesting input from local users of coin rather than depend entirely upon the larger members banks for data. A closer more refined analysis of data is being made by the Board and the Mint.

Coin Forecasting, Production, and Distribution

The primary responsibility of the Mint is to strike sufficient coins to meet the needs of the nation's commerce.

It performs this function by planning production and shipping schedules on the basis of coin requirement estimates provided by the Federal Reserve Board's Division of Bank Operations.

The primary objective of the Federal Reserve Liaison Division is to evaluate and coordinate these estimates with the Mint's Assistant Director for Production. Another objective is to coordinate coin shipping schedules to maintain sufficient coin inventories at each Federal Reserve Bank and Branch to fill commercial bank requests.

We meet these objectives by tabulating, summarizing, and analyzing coin activity statistics reported by the Mint and Federal Reserve Banks. These data are then used to develop statistical trends to appraise bank estimates and to schedule production and shipments.

Coin reports prior to 1967 were tabulated manually. As coin demand increased, some degree of automation was necessary to process statistical data to effectively service expanding bank needs. Accordingly, since 1967, EAM equipment has been utilized to process some of these requirements. The continuing surge and wide fluctuation in coin demand requires increased levels of inventories. The Feds, however, have not expanded their storage facilities to keep pace with growing demand. Thus, an accurate and timely reporting system is needed to

maintain inventories at each Fed within limited parameters.

This information must be processed efficiently so that Management can effectively coordinate production and shipping schedules with bank needs.

Mint's efforts are continually directed towards refining techniques to minimize variances between actual and estimated coin demand. Our objectives are to improve operations by:

(1) reducing overuns which result in costly storage expenses,

(2) avoiding shortages which disrupt programmed production and shipping schedules and thoroughly disorganize functions for banks and commerce, (3) providing the Production with timely requirement reports for production planning.

Mint's current requirements are outlined below:

- I. FRBanks wire the Mint weekly coin reports of inventories and receipts.
  - A. The Mint's EAM Division lists data and calculates weekly and four week average net outflow.
    - Reserve Board and the Mint's Liaison and Production Divisions to schedule and adjust monthly shipping programs.
- II. FRBanks report monthly coin activity summary which shows:
  - (1) Inventories
  - (2) Receipts from the Mint
  - (3) Receipts from commercial banks
  - (4) Payouts to commercial banks

- (5) Net outflow (demand)
- A. The Mint's EAM Division lists data and summarizes it monthly, quarterly, semi-annually, and annually.

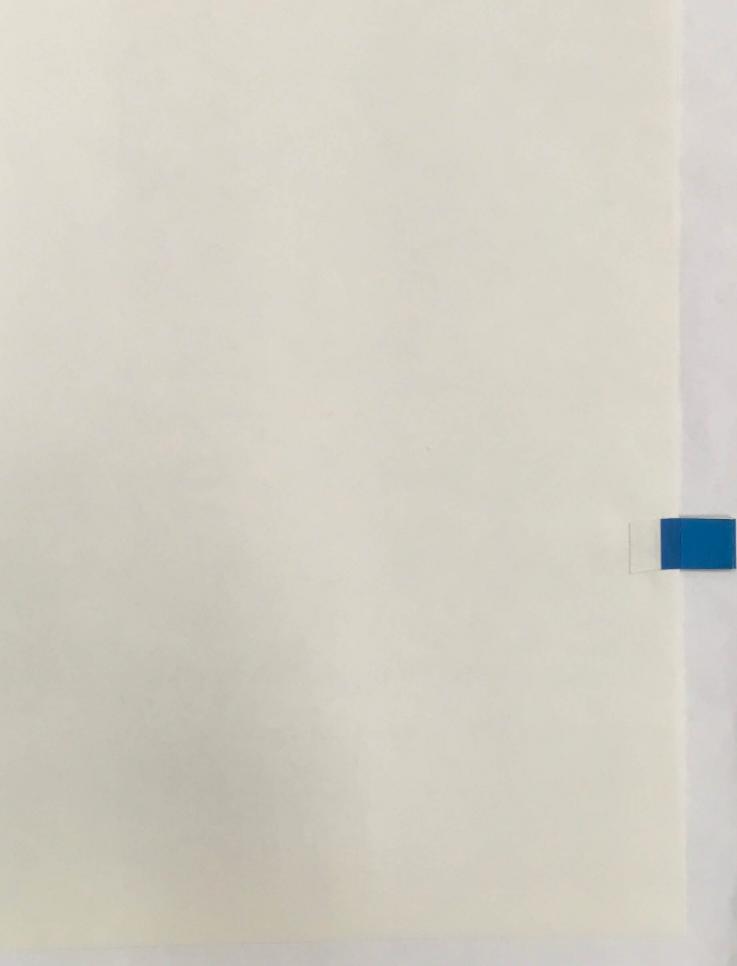
  Data is stored to project coin demand to evaluate:
  - (1) Projected requirements on a monthly, quarterly, and annual basis
  - (2) Bank requirements and schedule production programs for the quarter

A system should process requirements previously outlined so that Management may allocate more time to evaluation rather than calculation, and have the capability and flexibility to perform the following functions:

- A. Coin forecasting
  - 1. Project bank demand by years
  - 2. Project bank requirements by years
  - 3. Revise projected requirements for each year
  - 4. Revise requirements each quarter 2 1/2 months

    prior to the beginning of each quarter for production planning and ordering raw materials
  - 5. Schedule monthly shipments
- B. Tabulate coin activity on a monthly, quarterly, and annual basis
  - 1. Develop data bank to:
    - a. Calculate estimated demand
    - b. Measure validity of bank requirements
    - c. Evaluate and project inventory positions

- d. Schedule coin shipments to maintain inventories at each Federal Reserve Bank within the parameters of maximum and minimum levels to meet fluctations in demand.
- e. Measure impact of any budget reductions







# THE DEPARTMENT OF THE TREASURY WASHINGTON, D.C. 20220

Administrative Bulletin No. 73-55

August 15, 1973

TO BE DISCARDED AFTER July 1, 1974

To Heads of Bureaus,

Department of the Treasury

SUBJECT: General Services Administration Evaluation of Records
Management Program

Attached is Secretary Shultz's letter to General Services Administrator Sampson, advising that the Department welcomes GSA's proposal to conduct an evaluation of the Department's records management program. Also attached is Mr. Sampson's letter proposing the evaluation.

Secretary Shultz's letter cites the Department's work plans for this fiscal year. The self-assessment project mentioned in the letter will constitute a major part of this effort. Other major projects will be in directives systems, reports management and records disposition. The basic charter for the new paperwork management program, and detailed information on the program objectives and work plans for this year will be presented to you early in September. This will allow for several months' self-assessment and improvement effort before the formal GSA evaluation begins.

This evaluation will provide the opportunity for us to demonstrate that Treasury is on the way to having one of the most effective paperwork management programs in the U.S. Government.

March F. Brecht

Assistant Secretary for Administration .



## THE SECRETARY OF THE TREASURY

JUL 1 21973

Dear Mr. Sampson:

The Department of the Treasury welcomes your suggestion for evaluation of our records management programs, as described in your letter of June 21, 1973.

We are in the process of developing the basis and framework for a broad paperwork management program. Our work plans in this field for fiscal year 1974 include a major project for self-assessment of our existing program at both Departmental and Bureau levels, using the basic guidelines provided by the National Archives and Records Service. The results of this assessment should form an ideal basis for the conduct of your inspection.

Mr. Dan Moser, our new Departmental Paperwork Management Officer, will be in contact with Mr. Oliver to work out mutually agreeable arrangements for the timing and conduct of the inspection.

We look forward to working with your representatives on the improvement of paperwork management in the Department.

Sincerely yours,

George P. Shultz

Se P. Shuly

The Honorable
Arthur F. Sampson
Administrator
General Services Administration
Washington, D. C. 20405

# GENERAL SERVICES ADMINISTRATION WASHINGTON, D.C. 2003



## JUN 21 1973

Honorable George P. Shultz Secretary of the Treasury Washington, D.C. 20220

Dear Mr. Secretary:

The Administrator of General Services is authorized to inspect the records management and records disposal practices of Federal agencies as provided by 44 U.S.C. 2902 (Public Law 90-620).

Under this authority we have initiated a Government-wide evaluation of the records management programs which Federal agencies are required to establish and maintain under the provisions of 22 U.S.C. 3102. The purpose of the evaluation is to determine the status of records management in agencies and to identify areas in which the General Services Administration may be of assistance.

We would like to conduct a records management evaluation in the Department of the Treasury beginning January 2, 1974. A draft report will be submitted for your comments around May 1, 1974; the final report will be presented by June 30, 1974. If agreeable, we would like to meet with your representatives on or about November 1, 1973, to hold preliminary discussions and to gather statistical data prior to on-site analysis to begin in January.

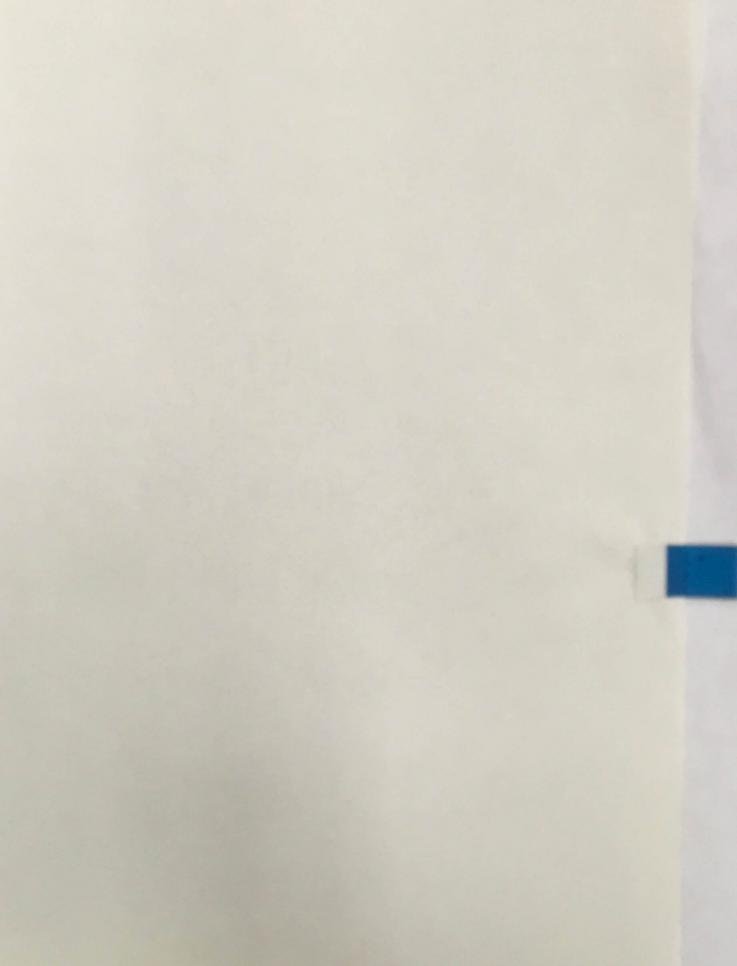
We will appreciate your cooperation in undergoing the evaluation which should be beneficial to both our agencies. The appraisal will center upon the role and effectiveness of the Office of the Secretary in planning, promoting, administering, and assisting in a program for agency-wide management of paperwork. We will also offer improvement suggestions concerning management of records or paperwork at subordinate levels.

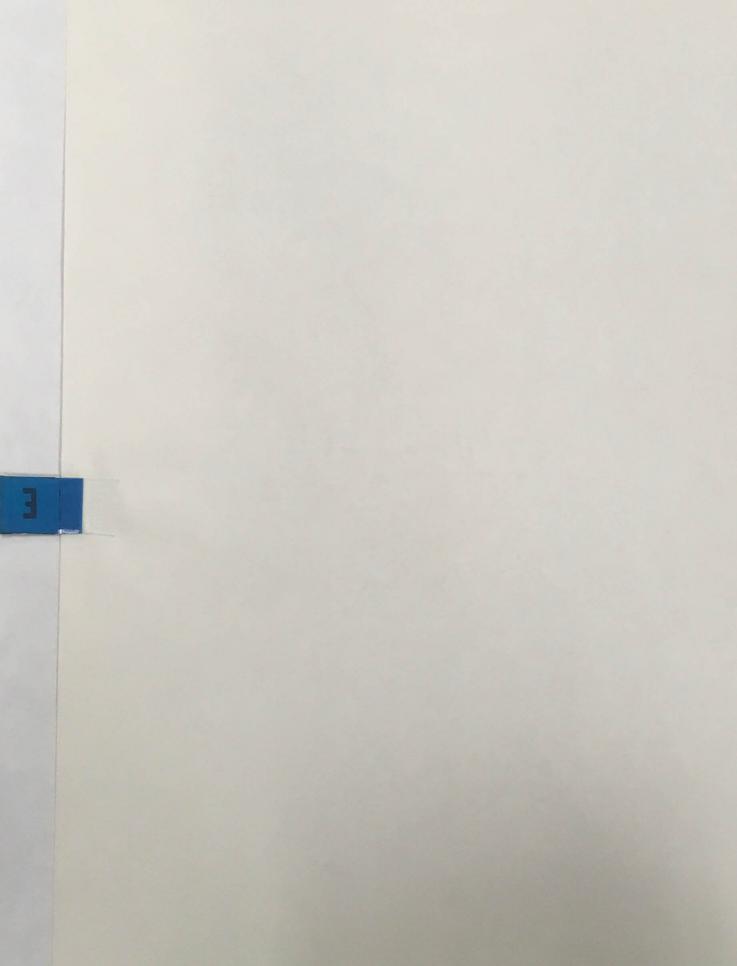
Mr. Ben Oliver of the National Archives and Records Service will be available to work out arrangements with your representative. He may be reached of Code 13, Extension 21814.

Since jely,

rthur F. Lapson

Administrator





## Minority Group Statistics

## As of November 30, 1973

## BUREAU OF THE MINT

Total Employees*	1971	Percentage	1972	Percentage
Negro		30%	2,489 762	30.6%
Spanish-American		8.5%	212	8.5%
American Indian		.1%	2	.1%
Oriental	- 95	4.3%	112	4.5%
Other	1,258	57.1%	1,401	56.3%
GS-1-4				
m	-00			
Total	186	11.24	226	
Negro	. 82	44.1%	96	42.5%
Spanish - American American Indian		3.2%	4	1.8%
Oriental		0.0%	0	0.0%
Other	83	44.6%	108	47:8%
GS-5-8				
			070	
Total	321	76 FM	372	70 60
Negro	53	16.5%	73	19.6%
Spanish-American American Indian	9	2.8%	1	2.7%
Oriental	ııı	•3% 3•4%	15	4%
Other	247	76.9%	273	73.4%
other	24/	70.975		
GS-9-12				
65-9-12				
Total	141		151	
Negro	8*	. 5.7%	11	7.3%
Spanish-American	1	.7	1	.7%
American Indian	0	0.0%	0	0.0%
. Oriental	4	1.8%	6	4.0%
Other	1:28	90.8%	133	88.1%
als co o	3		1	
*** GS-9 . GS-10	ì		i	
. GS-10 . GS-11	ī	The second second	3 .	
GS- 12	3		3	
00- 10	11 11 11 11 11 11 11 11 11 11 11 11 11	*		

\*These totals include wage board personnel. Grade comparisons are for GS series only.

-13-18	1971	Percentage	1972	Percentage
Total Negro	70 1* 0 0 1 68	1.0% 0.0% 0.0% 1.0% 97.1%	74 2 0 0 1	3.0% 0% 1.4% 95.9%
*GS-13 GS-14	1		1	73.70

Minority Statistics	Useful in identifying:
Total employment	Trends, comparisons-labor market, community.
Occupational distribution	-Gaps in skill levels attained by minority employees.
Accessions	-Breakthrough placements achieved or needed.
Organizational distribution	-Staffing and utilization patterns, advancement opportunitiesRecruiting effectiveness, source analysis, areas of consideration.
Promotion	-Patterns of nonselection, qualifications deficiencies, break through placementsEffectiveness of training and counselingTrends in supervisory positionsPinpointing underutilization.
Training	-Availability of opportunities to minority employeesProgress in developing underutilized skillsMotivation for self-development.
Awards Turnover	-Distribution imbalancesEmployee dissatisfactionDiscrepancies in quit rates between minority and nonminority.

ACTION AREA: RECRUITMENT ACTIVITIES DESIGNED TO REACH AND ATTRACT JOB CANDIDATES FROM ALL SOURCES.

ACTION - - - - - - Assure that recruitment plans in clude visits to area schools with predominant minority enrollment.

-Visit Eastville A and I College, Summerfield University, and Sarah A. Webster College to interview graduating engineers.

-Visit Thomas B. Duncan High
School and James County
Technical Institute to
explain job opportunities
and procedures for applying
for Federal employment.

RESPONSIBILITY - - - Personnel Office and selected managers

For college visits:

-John R. Dixon, Chief, Recr.

-& Pl.

-Chief, Structures Br, Engr. Div.

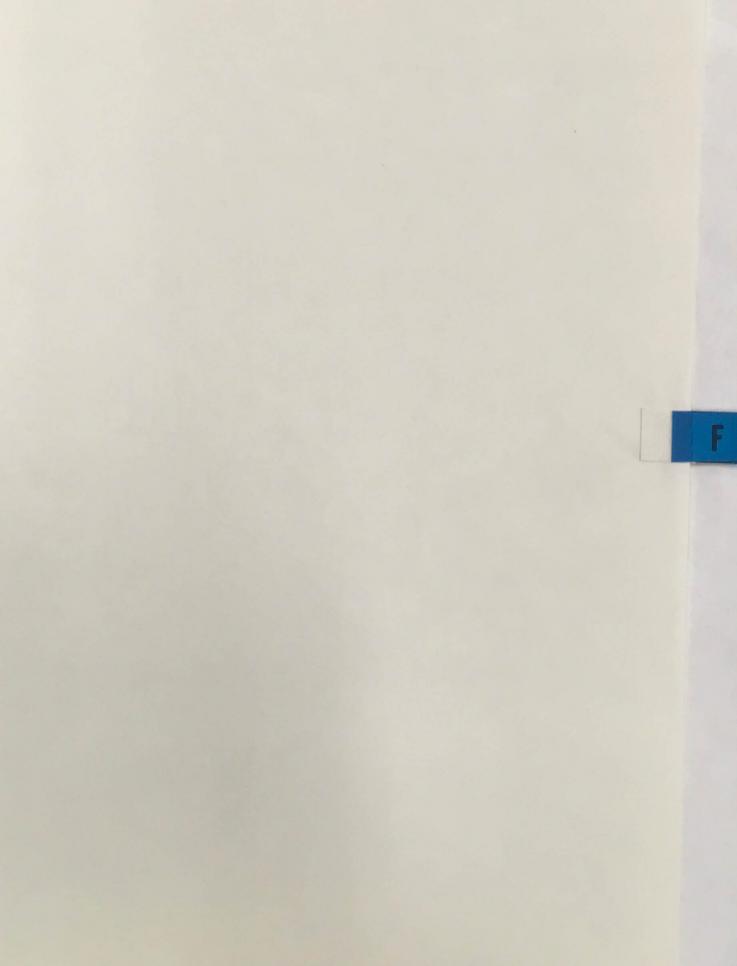
Chief, Requirements Br, Supply Mtn. Division For High School & Vocational Inst.

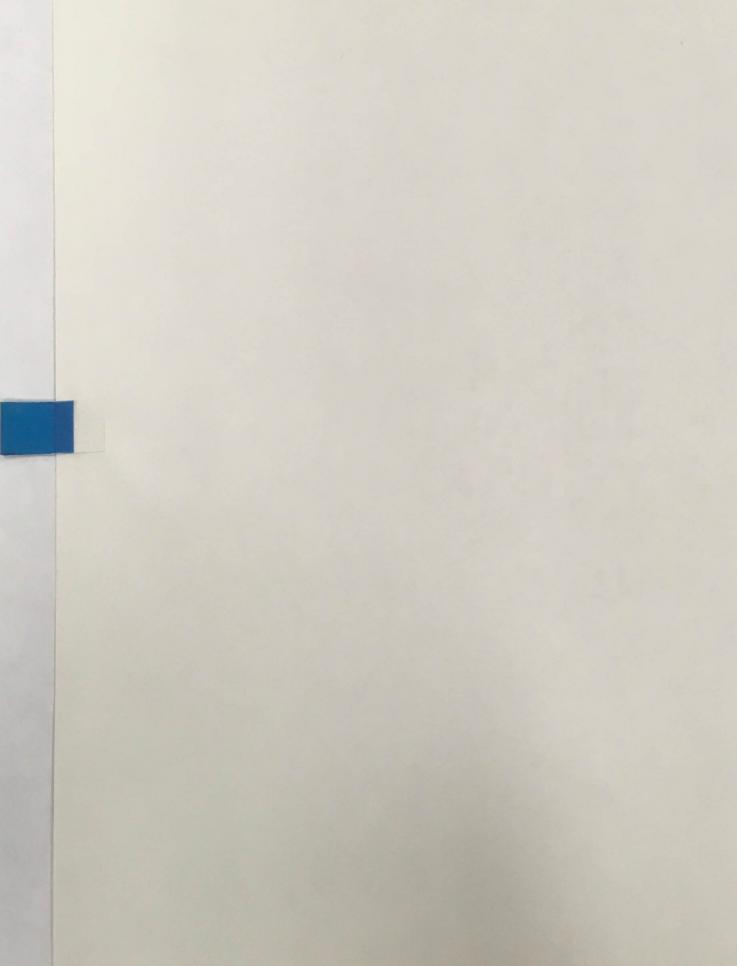
- Mary Lipscomb, Per Staffing Spec.
- Chief, Buildings & Grounds.

COMPLETION DATE Continuing - - - - - - -

College Visits - 30 Nov. 19 High School and Vocational Inst. 15 April 19

- Have I issued a statement of my personal support for equal opportunity at my installation? Has it been publicized for the entire work-force? And, do I reiterate it periodically?
- Do I convey my interest at Staff Meetings?
- -Do I take personal responsibility for publication of my installation's EEO plan of action?
- Does the plan contain my signature, official endorsement, and stated interest in making it work?
- -Do I require that periodic status reports be presented to me? Am I aware of progress achieved and problems which require my personal attention?
- -Have I designated an EEO Officer of high stature in the installation? If necessary has a Federal Women's Program coordinator been appointed? Do I know his or her role? Do I provide them immediate and direct access for advising and reporting to me on EEO matters?
- -Have I appointed EEO Counselors for each organization? Am I satisfied that they have the qualifications and the time to deal effectively with employee complaints?
- -Have I appointed EEO Counselors for each organization? Am I satisfied that they have the qualifications and the time to deal effectively wit
- -Have I established an EEO Advisory Council? Does the Council consist of members of the workforce and the community and represent the views of the minorities? Do I utilize and meet with the Council to obtain advice on such matters as maintaining effective communication with the community and the workforce?
- -Do I have regular contact with community leaders? Have I demonstrated my personal interest in EEO in meetings and speaking engagements with community officials and minority group leaders?
- -- Do I give high priority to EEO efforts? Do I kick off local EEO Training courses for managers and supervisors? Do I demonstrate personal interest through periodic visits to the work-site?





## New York Assay Office: . 1. Ultra Sonic Alarms Estimated Cost ----- \$ 2,000.00 2. Closed Circuit TV System for the loading dock and gate areas : Estimated Cost ---- \$ 7,500.00 West Point Bullion Depository: 1. Pistol Range Estimated Cost ----- \$40,000.00 San Francisco Assay Office: 1. Closed Circuit TV for the Hermann Street entrance Estimated Cost ----- \$ 7,500.00 Improved Security Lighting Estimated Cost ---- \$ 1,000.00 3. Additional Door Alarms Estimated Cost ----- \$ 3,000.00 Fort Knox Bullion Depository: Closed Circuit TV system covering the fence and entrance gate Estimated Cost ----- \$15,000.00

#### IMMEDIATE NEEDS (FY 1974), cont.:

#### Philadelphia Mint:

1.	Additional TV monitors for the		
	truck entrance and exit		
	Estimated Cost	Ş	2,000.00

2. Additional door alarms
Estimated Cost ----- \$ 1,500.00

#### Denver Mint:

1. Closed Circuit TV for the Northwest side of the Mint Estimated Cost ----- \$ 7,500.00

## FY 1975-1976:

## Philadelphia Mint:

Secret S	Service Survey Recommendations:
No. 1.	Window and ultrasonic alarms for windows and rooms at the second story level Estimated Cost \$ 8,000.00
No. 3.	Preventing all elevators from stopping between floors or suitably equip with an audible alarm  Estimated Cost \$10,000.00
No. 4.	Shatterproof or bulletproof
= ==	glass on the lower frames and doors at the entrance Estimated Cost \$ 7,500.00
No. 5.	New employee entrance-exit Estimated Cost \$ 5,000.00
No.11.	Closed Circuit TV cameras in- stalled in (1) Corner Vault - "M"; (2) Cash and Deposits Vault "C", C & D Vaults "D" and "E"
	Estimated Cost \$25,000.00
No. 12.	Modify TV Camera on Platform Estimated Cost \$ 500.00
No. 19.	Tamper-proof the base station communication system Estimated Cost \$ 200.00
No. 21.	Alarm safes H, I, J Estimated Cost \$ 500.00

#### FY 1975-1976, cont.:

#### Philadelphia Mint cont.:

Secret Service Survey Recommendations:

- No. 88. Special uniforms for employees working in sensitive areas

  Estimated Cost ----- \$10,000.00
- No. 92. Electronic locks for the
  Die Shop/Engraving
  Estimated Cost ----- \$ 2,000.00

## FY 1975-1976:

## San Francisco Assay Office:

Secret	Service Survey Recommendations:	
No. 2.	Install 7-foot cyclone fence around the perimeter topped with 1-foot of barbed wire Estimated Cost	\$20,000.00
No. 3.	Replace two auto gates on Hermann Street Estimated Cost	\$ 2,000.00
No. 9.	Window screens for exterior windows of the 4th and 5th floors Estimated Cost	\$ 5,000.00
No. 23.	Ultra Sonic Alarm in Officer in Charge's office Estimated cost	\$ 250.00
No. 24.	Alarm process weigh cage Estimated Cost	\$ 250.00
No. 25.	Alarm door from die polishing into annealing Estimated Cost	\$ 250.00
No. 26.	Alarm door of die storage Estimated Cost	250.00
No. 27.	Design a conveyor type load- ing process for the anneal- ing room Estimated Cost	3,000.00
No. 28.	Create a screened vault area outside process weigh where rejected blanks are stored - alarm Estimated Cost \$	1,000.00

## FY 1975-1976, cont.:

## San Francisco Assay Office cont:

Secret S	ervice Survey Recommendations:	
No. 29.	Alarm door into process weigh Estimated Cost	250.00
No. 31.	Ultrasonic alarm in proof packaging room Estimated Cost\$	500.00
No. 33.	Alarm all three doors into Post Office area Estimated Cost\$	400.00
No. 35.	Alarm door between dollar packaging room and machine shop  Estimated Cost\$	250.00
No. 36.	Ultrasonic alarm in dollar packaging room Estimated Cost\$	350.00
No. 38.	Ultrasonic alarm in proof set assembly room Estimated Cost\$	350.00

## FY 1975-1976:

#### Denver Mint:

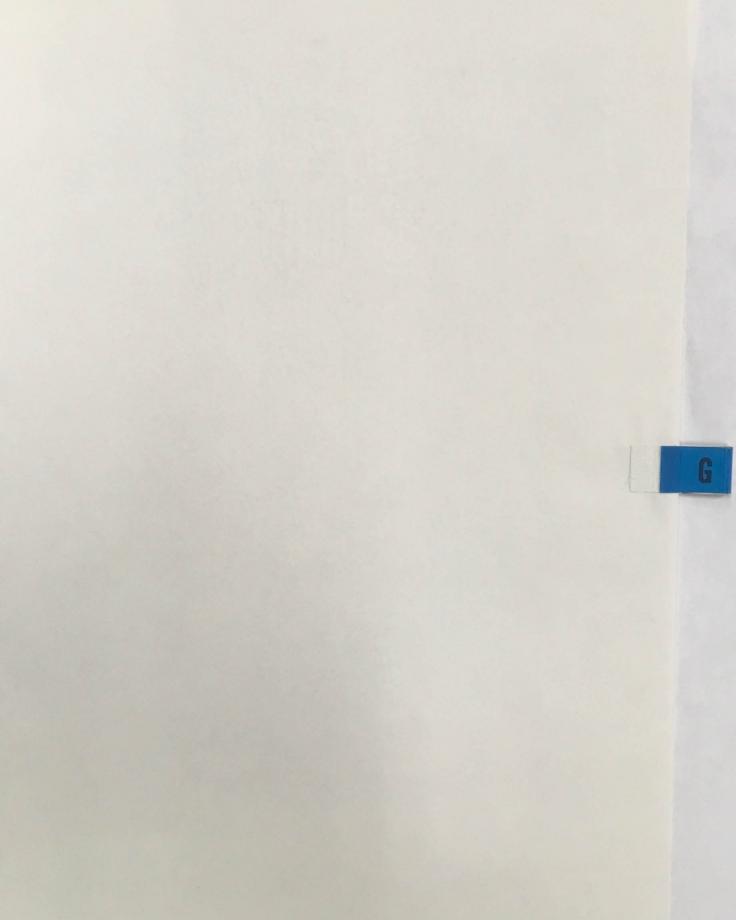
Secret Service Survey Recommendations:

- No. 6. Install an electronically operated gate at the west gate truck driveway, in lieu of hiring two extra guards

  Estimated Cost ----- \$ 500.00
- No. 32. Provide emergency power to
  the telephone system between
  the control room and each
  alarmed vault
  Estimated Cost ----- \$ 1,000.00
- No. 34. Provide wet cell emergency
  lights for all guard posts
  Estimated Cost

(End Denver)

cc: Mr. MacDonald





#### PROPOSED CHANGES IN SETTLEMENT PROCEDURES

During the July conference in Philadelphia, the subject of updating and streamlining the annual settlements was discussed.

Proposals were made to use the resident internal auditors to perform preliminary verification work to shorten the settlement period.

Accordingly, the following proposals are offered for discussion.

by the internal auditors and representatives of the institution to certify the contents of vault compartments, bins and storage tanks at all Mint institutions, and vault cages at the Philadelphia Mint. This seal would be of a lower classification than the Official Joint Seal which is affixed only to invulnerable vault compartments by an Official Joint Sealing Committee. The resident internal auditors and institution representatives would affix the temporary seals sometime prior to settlement when it has been determined that removal of the items before settlement is unlikely.

The seal would be acceptable to the settlement committee for annual settlement purposes. However, the seal could be removed and the contents under seal could be verified at the discretion of the settlement committee chairman.

The seal would be similar in appearance and have

features similar to the Institution Seal but would differ

in the respect that verification of the contents by the

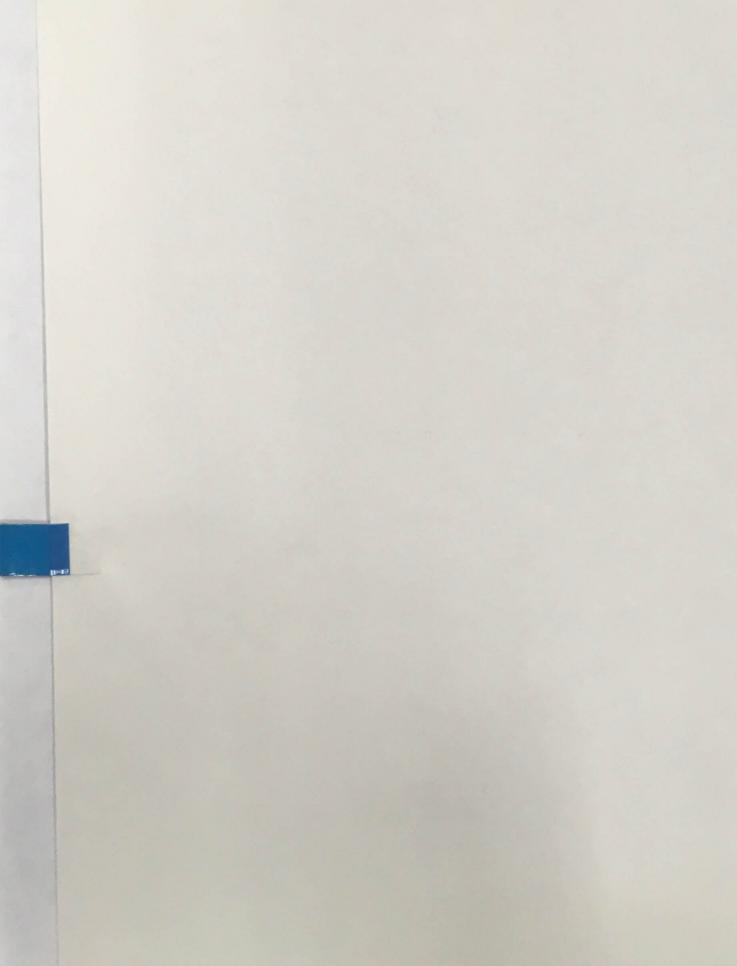
resident internal auditors would be performed under

procedures similar to those used for official joint seal
ing. In addition, it would add the feature of an independent

check on behalf of the settlement committee by persons represent
ing the Director's Office.

- 2. The resident auditors can make periodic inventory checks during the year of material stored at points outside the Mint institutions. Certification of the quantities of the material stored could be acceptable by the committees without further verification. In this way the committees would be relieved of the need to visit such storage points.
- 3. The resident internal auditors can perform mathematical verification of schedules of materials prior to settlement for the settlement committees, IF the institutions can arrange to have the schedules prepared a week or two in advance of settlement. This has always been a problem at certain locations.





#### **Budget Presentation**

#### A. Overview

Description of Budget process from original request to approval of Budget by Congress. FY 74 used as guide.

#### B. Mint Budget FY 1974 - Actions Taken - Direct Program

Status of FY 1974

- 1. Requested of Treasury Long-Range April 6, 1972 \$26,846,000
- 2. Budget presentation to Treasury
  September 29, 1972 \$26,846,000
- 3. Presented to OMB
  October 11, 1972 \$25,784,000
- 4. Submitted to Congress. Hearing in House March 1973
  Requested \$24,5000,000
  Approved \$23,750,000
- 5. Hearing in Senate

May 1973 Requested \$23,750,000 Approved \$23,000,000

6. Present status of Appropriation Bill.

Mint accepted the House cut, and appealed the Senate cut to Treasury. Conference Committee informally advised of our tight situation. Conference Committee: has not yet acted.

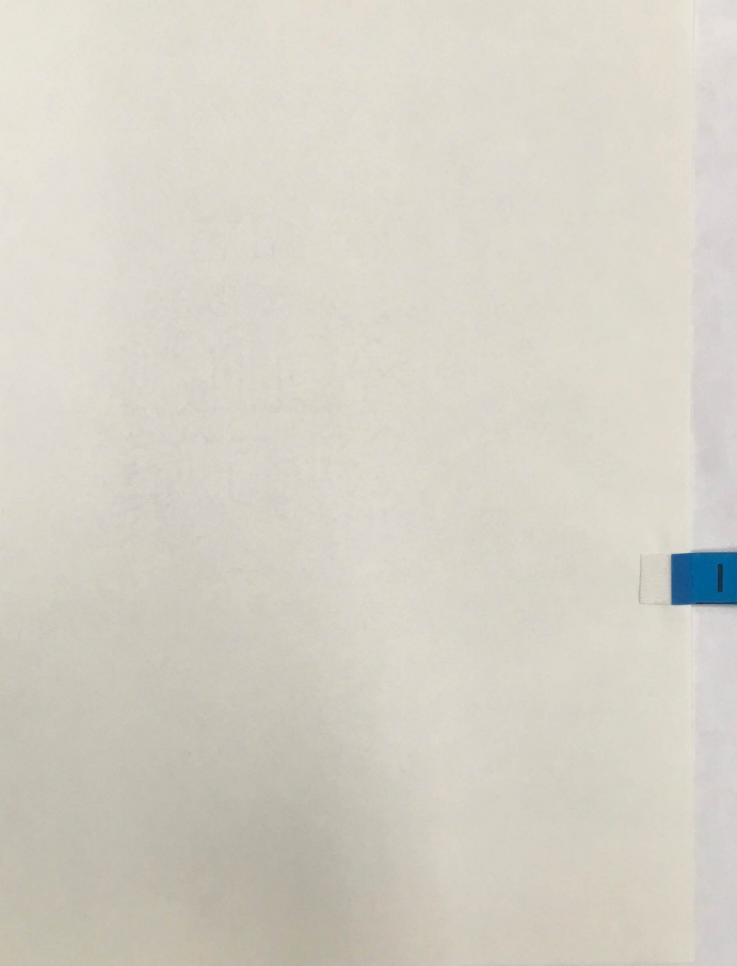
## C. Operating Status of Funds

1. Continuing resolution permits us to operate at same level as last year.

Last year's budgetAdd: Pay raises supplemental covering	\$23,000,000
FY 1973 pay raises	1,600,000
Base under continuing resolution	24,600,000
Less: Equipment Funds	_2,400,000
Funds available for allocation	22,200,000
Divided by 4 quarters gives the amount	
available by quarters\$	5,550,000 funds for
	allocation

### 2. FY 1974 Budget at present:

Requested from Congress\$24,500,000
Cut by House (750,000)
Cut by Senate (750, 000)
Department advised Bureau to use Supp. Pay Act to
cover 1973 pay raise in our Planning. Supp. won't
be requested until late FY 1974 1,600,000
Best picture of available funds 24,600,000
Less Equipment 2,400,000
Funds available for Personnel and othersame \$ 22,200,000
level as currently operating





SENATE

REPORT No. 93-378

# TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1974

AUGUST 3, 1973 .- Ordered to be printed

Mr. Montoya, from the Committee on Appropriations, submitted the following

## REPORT

-{To accompany H.R. 9590]

The Committee on Appropriations, to which was referred the bill (H.R. 9590) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1974, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes recommended:

#### SUMMARY OF THE BILL

The bill provides a total amount of \$4,832,666.000. which is \$1,004,800,000 under the appropriations for 1973. \$68.679,000 under the revised estimates for 1974, and a decrease of \$12,057,000 under the appropriations in the House bill totaling \$4,844,273.

The following tables summarize the amounts of new budget (obligational) authority recommended in the bill for fiscal year 1974 compared with amounts appropriated to date for fiscal year 1973 and with the revised 1974 budget estimates and House bill. The tabulation by items of appropriation is included at the end of the report.

Amount of		\$4,844,723,000
Amount of	decrease by Senate	-12,057,000

Amount of bill as reported to Senate	4, 832, 666, 000
Amount of budget estimates of new (obligational) authority, fiscal year 1974	4, 901, 345, 000

#### BUREAU OF THE MINT

#### SALARIES AND EXPENSES

Appropriation, fiscal year 1973	1 \$23, 000, 000
Budget estimate, fiscal year 1974	24, 500, 000
House allowance	23, 750, 000
Committee recommendation	23, 000, 000
Bill compared with:	
Appropriation, fiscal year 1973	
Budget estimate, fiscal year 1974	-1,500,000
House allowance	-750,000

\* Excludes 3750,000 therefored to the appropriation for "Salaries and expenses", Bureau of Alcohol, Tobacco and Firearms; and 836,000 transferred to the appropriation for "Salaries and expenses", United States Secret Service by Second Supplemental Appropriations Act, 1973 (P.L. 93-50).

The Committee recommends an appropriation of \$23,000,000 for the Bureau of the Mint for fiscal year 1974.

The Committee notes that \$1,000.000 of the 1973 appropriation was transferred to other bureaus in the Department of the Treasury for

The Bureau of the Mint plans to coin about 8.9 billion pieces in fiscal year 1974 compared to about 8.4 billion pieces in fiscal year 1973. Most of the .5 billion increase is in the coining of pennies. The Committee notes that the in-house production of cupro-nickel clad strip is being increased in fiscal year 1971. The Committee believes that this is a good program and urges the Bureau to exercise tight management control of production to minimize costs in this area.

#### BUREAU OF THE PUBLIC DEBT

#### ADMINISTERING THE PUBLIC DEBT

Appropriation, fiscal year 1973	1 \$71, 900, 000
Budget estimate, fiscal year 1974	79, 400, 000
House allowance	77, 000, 000
Committee recommendation	77, 000, 000
Bill compared with:	F 100 000
Appropriation, fiscal year 1973	5, 100, 000
Budget estimate, fiscal year 1974	
' House allowance	

\* Excludes \$100,000 transferred to the appropriation for "Salaries and expenses", Office of the Secretary and \$2,600,000 transferred to the appropriation for "Salaries and expenses", Bureau of Customs by Second Supplemental Appropriations Act, 1973 (P.L. 93-50).

The Committee concurs with the House and recommends an appropriation of \$77,000,000 for Administering the Public Debt, Bureau of the Public Debt for fiscal year 1974.

The Committee notes that \$2,100,000 was transferred to other accounts in the Department of the Treasury for pay increase costs. For the past two years the Bureau of Public Debt has over-estimated the cost of reimbursement to the Federal Reserve Banks and it is the sense of the Committee that estimates for fiscal year 1974 are again overestimated. The Bureau of the Public Debt is directed to apply the reduction from the appropriation request in areas other than U.S. Savings Bonds Division.

The Bureau is allowed the 2,554 positions requested provided they can be funded within the recommended appropriation.

No. 93-399

# TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1974

JULY 25, 1973.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Steed, from the Committee on Appropriations, submitted the following

#### REPORT

[To accompany H.R. 9590]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Treusury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for fiscal year 1974, and for other purposes.

#### INDEX TO BILL AND REPORT Page number Bill Report Summary of the Bill\_\_\_\_\_ General Statement Title I—Treasury Department Title II—United States Postal Service Title III—Executive Office of the President 19 Title IV-Independent Agencies: Administrative Conference of the United States Advisory Commission on Intergovernmental Relations Advisory Committee on Federal Pay Civil Service Commission ... Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped General Services Administration United States Tax Court Civil Defense\_\_ 40 Emergency Health 41 Title V—General Provisions, this Act 43 Title VI-General Provisions, government-wide Limitations and Legislative Provisions\_\_\_\_\_\_\_ Tables\_\_\_\_\_ 44

#### BUREAU OF THE MINT

#### SALARIES AND EXPENSES

-	Appropriation, fiscal year 1973	1 S23, 000, 000
	Budget estimate, fiscal year 1974	24 500 000
	Recommended in the bill	23, 750, 000
	Bill compared with: Appropriation, fiscal year 1973	1 250 000
	Budget estimate, fiscal year 1974	+750,000 -750,000
	8 Probleme 5700 000 reconformed to the commence for the 1 days of the 1	The state of the s

\*Excludes \$70,000 transferred to the appropriation for "Salaries and expenses", Bureau of Alcohol, Tobacco and Firearms; and \$3:0,000 transferred to the appropriation for "Salaries and expenses", United States Secret Service by Second supplemental Appropriations Act, 1973 (P.L. 93-50).

The Committee recommends an appropriation of \$23,750,000, a reduction of \$750,000 below the budget request. This would provide \$750,000 above the amount available to the Mint for these purposes in fiscal year 1973.

The Committee notes with some concern that S1 million of the fiscal year 1973 appropriation was available for transfer to other agencies during fiscal year 1973 to cover increased pay costs.

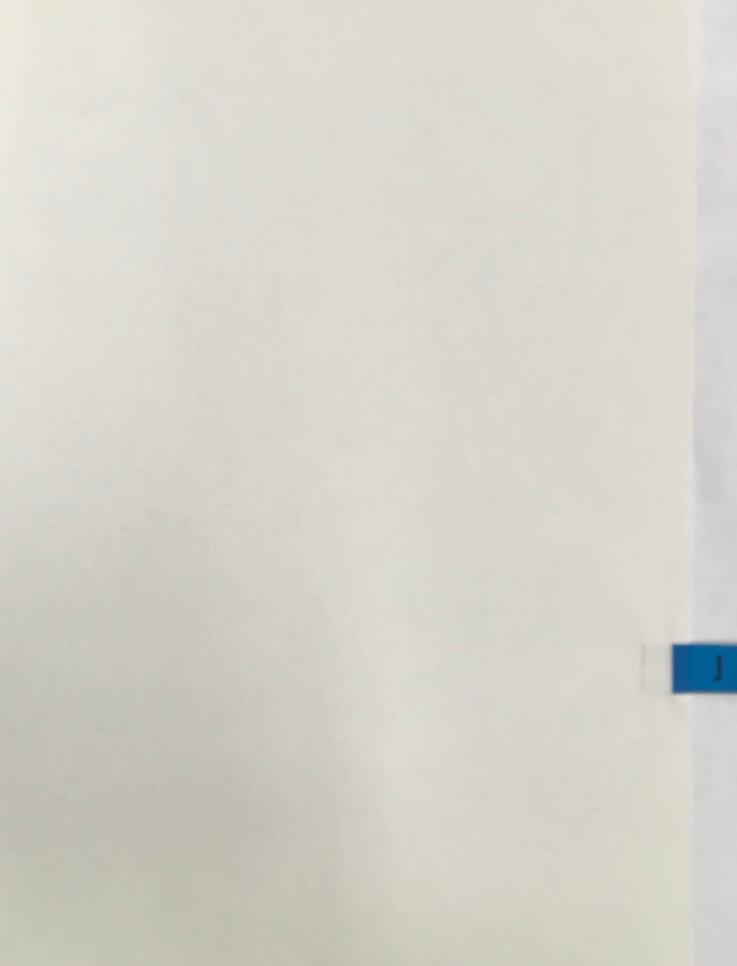
The Committee notes that the full operation of the San Francisco mint will be applied to reimbursable work during fiscal year 1974 which

will result in a savings of approximately \$506,000.

The coinage production program of the Mint for fiscal year 1974 is estimated to increase from \$.409.000,000 pieces in 1973 to \$.886.000,000 in 1974, an increase of 5.67 percent. This would increase the inventory of coins at the end of fiscal year 1974 to slightly over one billion coins which the Committee feels is adequate. The Committee is pleased to note a reduction of approximately 15 percent in the backlog of unrefined gold and silver.

The Committee allows 25 of the 46 new permanent positions requested for FY 1974 which would raise the permanent level of employ-

ment from 1736 to 1761.





## SPECIAL COINAGE AND MEDALS PROGRAMS FOR CALENDAR YEAR 1974

	Program	Order Acceptance Period
1.	1974 Proof Coin Sets	November and December, 1973
2.	1974 Uncirculated Coin Sets	January and February
3.	1974 America's First Medals (Washington Before Boston & Maj. Gen. Gates, for Saratoga)	February and March
4.	1974 Proof Eisenhower Dollar	April and May
5.	1974 ARBC - PNC	July
6.	1974 Penny Bags	July and August
7.	1974 Uncirculated Eisenhower Dollar	August and September
8.	1974 ARBC - Unique Package-Bronze Silver	October October
9.	List Medals	Continuous

SALES OUTLETS
FOR NUMISMATIC ITEMS

#### BUREAU OF THE MINT

MAIN TREASURY
PHILADELPHIA MINT
DENVER MINT
SAN FRANCISCO MINT

#### OTHER AUTHORIZED INSTITUTIONS

U. S. CAPITOL HISTORICAL SOCIETY DWIGHT EISENHOWER LIBRARY HARRY TRUMAN LIBRARY LYNDON JOHNSON LIBRARY HERBERT HOOVER LIBRARY FRANKLIN ROOSEVELT LIBRARY. .... JOHN F. KENNEDY CENTER GOVERNMENT SERVICES, INC. STARK COUNTY HISTORICAL SOCIETY LYNDON B. JOHNSON NATIONAL HISTORIC SITE FORT CLATSOP HISTORICAL SOCIETY CALVIN COOLIDGE MEMORIAL FOUNDATION PATTON MUSEUM U. S. FRIGATE CONSTELLATION MINORITY CONCESSIONS THE FREEDOM TRAIL

Torre	COCM	AVG #	AVG \$	TOTAL	SALES	SALES	ORDER
ITEM	COST	SETS/ORDER	VALUE/ORDER	ORDERS	(TOTAL SETS)	(TOTAL \$)	ACCEPTANCE PERIOD
	5.00	2 000		020 026	2 000 700	16 102 665	11 7 7140 12-21-71
1971 Proof Sets	5.00	3.839	19.20	838,936	3,220,733	16,103,665	11-1-71to 12-31-71
1971 Unc. Sets	3.50	3.544	12.40	618,624	2,192,844	7,674,954	3-1-71to 4-15-71
1971 Proof Ike	10.00	2.962	29.62	1,435,168	4,255,966	42,559,660	7-1-71to 10-8- 71
1971 Unc. Ike	3.00	3.563	10.69	1,833,332	6,532,770	19,598,310	7-1-71to 10-8-71
		١.					
1972 Proof Sets	5.00	3.394	16.97	960,713	3,260,996	16,304,980	11-1-71to 12-31-71
1972 Unc. Sets	3.50	3.124	10.93	862,838	2,696,197	9,436,689	2-1-72to 3-15-72
1972 Proof Ike	10.00	2.695	26.95	659,598	1,778,112	17,781,120	5-1-72to 7-15-72
1972 Unc. Ike	3.00	3.327	9.98	656,853	2,185,586	6,556,758	8-1-72to 10-16-72
1972 PNC	, 5.00	1.939	9.70	407,687	790,726	3,953,630	7-1-72to 8-31-72
1972 Penny Bags	.40Mail 25_OTC	12.762	5.10	29,130	371,820	148,728	1-15-73to 2-15-73
1973 Proof Sets	7.00	2.886	20.20	956,451	2,760,339	19,322,373	11-1-72 to 2-28-73
1973 Unc. Sets	6.00	2.689	16.13	657,400	1,767,691	10,606,146	2-1-73 to 4-15-73
.1973 Proof Ike	10.00	2.381	23.81	412,048	980,039	9,800,390	5-1-73 to 7-15-73
1973 Unc. Ike	3.00	3.274	9.82	452,053	1,483,086	4,449,258	8-1-73 to ?
1973 PNC	5.00	1.792	8.96	261,184	468,069	2,340,345	7-4-73 to 7/31/73
1973 Penny Bags	.40Mail	12.760	5.10	14,427	184,090	73,636	July & August, 1973
as of 9-10-73			,				
45 01 7 10 15		•					
							)

## ACTIVITY IN NUMISMATIC SETS AND MEDALS

#### CALENDAR YEAR

	A	C	T U	A	L	EST	IMATED
	1968	1969	1970	1971	1972	1973	1974
PROOF COIN SETS	3,000,000	2,900,000	2,600,000	3,200,000	3,300,000	Actual 2,800,000	3,000,00
UNCIRCULATED COIN SETS	2,100,000	1,800,000	2,000,000	2,200,000	2,700,000	Actual 1,700,000	2,000,00
PROOF EISENHOWER DOLLAR				1,300,000	1,800,000	Actual 1,000,000	1,300,000
- UNCIRCULATED EISENHOWER DOLLAR				6,500,000	2,200,000	1,600,000	1,900,000
ARBC (PNC)					800,000	Actual 500,000	800,000
ARBC UNIQUE PACKAGE (S-Silver, B-Bronze)					700,000	s- 200,000 B- 600,000	
PENNY BAGS					400,000	Actual 300,000	400,000
	E S	Т	I M	A	T E	D	2
LIST MEDALS	30,083	60,111	150,213	586,363	748,900	1,000,000	1,200,00
			The same of the sa	A DESCRIPTION OF THE PARTY OF T			

\*The above figures are rounded off to the nearest 100,000

)FFICE OF PUBLIC SERVICES SURFAU OF THE MINT

## PROOF COIN SETS

	* *	, ,		
YEAR	SELLING PRICE	FACE VALUE	NUMBER OF ORDERS RECEIVED	NUMBER OF SETS PRODUCED
1950 1951 1952 1953 1954 1955 1956 1957 1958 1959 1960 1961 1962 1963 1964 1965	2.10 2.10 2.10 2.10 2.10 2.10 2.10 2.10	.91 .91 .91 .91 .91 .91 .91 .91 .91 .91	87,462 97,806 352,688 548,085 made made	51,386 57,500 81,980 128,800 233,350 378,200 669,384 1,247,952 875,652 1,149,291 1,691,602 3,028,244 3,218,019 3,075,645 3,950,762
1966 1967 1968 1969 1970 1971 1972 1973	No proof 5.00 5.00 5.00 5.00 5.00 7.00		** mad.3  1491,287  2914,000  787,000  838,936  960,713  955,704	3,041,506 2,934,631 2,632,810 3,224,138 3,267,667

#### UNCIRCULATED COIN SETS

YEAR	SELLING PRICE	FACE VALUE	NUMBER OF ORDERS RECEIVED	NUMBER OF SETS PRODUCED
1947 1948 - 1949 1950	4.87 4.92 5.45 (No sets		ng 1950)	12,600 17,000 20,739
1951 1952 1953 1954 1955 1956	6.75 6.14 6.14 6.19 3.57 3.34	5.46 5.46 5.46 5.46 2.86 2.64		8,654 11,499 15,538 25,599 49,656 45,475
1957 1958 1959 1960	4.40 4.43 2.40 2.40 2.40	3.64 3.64 1.82 1.82		32,324 50,314 187,000 260,485 223,704
*1962 1963 1964 1965 1966	2.40 2.40 2.40 Special M Special M	int Sets	75,297 103,507 241,898	385,285 605,612 1,008,108 2,360,000 2,261,583
1967 1963 1969 1970 1971. 1972 1973	Special M 2.50 2.50 2.50 3.50 3.50 6.00	1.33 1.33 1.33 1.83 1.83 3.83	350,547 488,256 566,522 618,624 862,886 657,400	1,863,344 2,105,128 1,817,392 2,038,134 2,193,396 2,750,000

\*Accountability transferred to the Mint per DOT 179-3 dated October 16, 1961

OFFICE C PUBLIC SERVICES BUREAU OF THE MINT

PROOF EISENHOWER SILVER DOLLAR

YEAR	SELLING PRICE	FACE VALUE	NUMBER OF ORDERS RECEIVED	NUMBER OF COINS PRODUCED
1971	\$10.00	\$1.00	1,435,168	4,265,234
1972	\$10.00	\$1.00	659,598	1,811,631
1973	\$10.00	\$1.00	412,048	

# UNCIRCULATED EISENHOWER SILVER DOLLAR

1971	\$ 3.00	\$1.00	1,833,332	6,668,526
1972	\$ 3.00	\$1.00	656,862	2,371,060
1973	\$ 3.00	\$1.00	478,553 as of 9/12	

OFFICE OF PUBLIC SERVICES BUREAU OF THE MINT

## AMERICAN REVOLUT, ON BICENTENNIAL COMMISSION

## Philatelic-Numisr atic Commemorative (PNC)

YEAR	ORDERS ;	NUMBER OF UNITS	DOLLARS
1972	407,687	790,726	\$3,953,630.00
1973	261,184	468,069	\$2,340,349.26
	Singl	e Medal In Case (Unique)	
1972	313,883	667,149	\$2,335,021.50

#### MEDAL SALES FOR FISCAL AND CALENDAR YEAR 1972

#### (Approximate Number)

Medals	Fiscal Amount			endar Year
neda15	Alloune	Number	Amount	Number
Presidential	\$119,075.25	24,000	\$129,998.25	26,000
Secretaries of the Treasury	8,025.50	1,600	8,492.50	1,700
Directors of the Mint	2,069.00	400	2,456.25	500
Army .	10,232.00	1,700	11,769.00	2,000
Navy	11,177.25	1,900	13,954.50	2,300
Miscellaneous	47,029.57	7,800	50,573.07	8,400
Medals of the U.S. Mints	48,931.06	97,800	67,274.80	135,000
Miniature Presidential Series	187,066.70	375,000	193,514.90	387,000
Gold Plated Miniature Presidential Series	67,565.50	18,000	88,544.50	24,000
Medal Sales to Presidential Libraries and Historical Sites	\$ =63,674.63	160,000	\$ 64,855.50	162,000
Totals	\$564,846.46	*688,200	\$631,433.29	*748,900

<sup>\*</sup> There were 208,400 other congressionally approved medals sold to sponsoring organizations.

OFFICE OF PUBLIC SERVICES BUREAU OF THE MINT

		1		
Fiscal Year		Numl er	of Medals	Sold
1965		1	141,166	
1966		1	69,799	
1967			24,577	
1968			71,180	
1969			348,100	
1970		.	101,500	
1971			480,700	
1972	,		896,678	
		Total	2,133,700	

OFFICE OF PUBLIC SERVICES BUREAU OF THE MINT

#### OTHER GOVERNMENT AGENCY MEDALS

U. S. ARMY

U. S. NAVY

U. S. MARINE CORPS

U. S. COAST GUARD

NATIONAL INSTITUTE OF HEALTH

FOGARTY INTERNATIONAL CENTER

NATIONAL SCIENCE FOUNDATION

NATIONAL ACADEMY OF SCIENCE

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL INTELLIGENCE AGENCY

EXPORT IMPORT BANK

AMERICAN REVOLUTION BICENTENNIAL COMMISSION

DEPARTMENT OF INTERIOR

DEPARTMENT OF AGRICULTURE

DEPARTMENT OF THE TREASURY

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

GENERAL SERVICES ADMINISTRATION

GOVERNMENT PRINTING OFFICE

SMALL BUSINESS ADMINISTRATION

U. S. ATOMIC ENERGY COMMISSION

WHITE HOUSE

FEDERAL WOMAN'S AWARD

DEPARTMENT OF STATE "50TH ANNIVERSARY OF THE DIPLOMATIC COURIER SERVICE"

U. S. FRIGATE CONSTELLATION

# FUNDS DEPOSITED TO THE GENERAL FUND OF THE TREASURY FROM SALE OF NUMISMATIC ITEMS (In Thousands of Dollars)

-				
Fi	scal Year			Amount
	1960			762
	1961			.1,325
	1962			. 1,733
	1963		:	1,856
	1964			1,025
	1965			
	1966			4,679
	1967			9,207
	1968			5,998
	1969			11,940
	1970			7,409
	1971			6,274
	1972			39,889
	1973	,		23,830
				*

#### TOTAL COST OF REIMBURSABLE PROGRAM

Fiscal Year		Amount
1972		\$22,250,000 \$29,588,000
1973		\$29,588,000

# FOREIGN COINAGE ACTIVITIES FISCAL YEAR 1973

#### COINAGE ACCOMPLISHED

HONDURAS 1972 DOMESTIC
LIBERIA 1972 DOMESTIC
LIBERIA 1972 PROOF SETS
PANAMA 1972 FAO 5 BALBOA
NEPAL 1972 PROOF SET
PANAMA 1972 PROOF SET
HAITI 1972 DOMESTIC
EL SALVADOR 1972 DOMESTIC
PHILIPPINES 1972 DOMESTIC

#### COINAGE IN PROGRESS

PANAMA 1973 DOMESTIC TIAWAN 1973 DOMESTIC LIBERIA 1973 PROOF SET

#### ORDERS PENDING

PANAMA 1973 PROOF SET ETHIOPIA 1973 DOMESTIC NEPAL 1973 PROOF SET HONDURAS 1973 DOMESTIC LIBERIA 1973 DOMESTIC For Previous Work Week

#### September 10, 1973

l order acceptance	% of Produc- tion & Ship- ping Cycle Lapsed	Cumulative No. of Orders	Cumulative No. of Sets or Medals	Average No. Sets or Medals Per Order	No. of Orders Shipped As of Previous Work Week	Cumulative No.	% of Orders	No. of Sets or Medals Shipped During Pre- vious Week	Sets or Medals Shipped(apro	Sets of Models Shipped
dals	Continuous	10,850	SM50,773 LG- 11,378	SM 4.679 LG- 1.049	182	9,401	86.7	SM 246 LG- 292	SM- 47,973 EG- 028 10,571	94.2
27. 1972)  cof Coin Sets  1972 to  7. 1973	71.4	956,451	2,760,339	2.886	33,830	566,340	59.2	66,259	1,677,844	60.8
circulated ts 1973-Apr.15,1973	82.9	657,400	1,767,691	2,689	26,091	563,610	85.7	73,741.	1,327,921	75.1
oof Eisenhower 1973-July 15,1973	, 64.1	412,048	980,039	2:378	34,823	248;448	60.3	109,501	523,734	53.4
lic-lismatic rative (ARBC) 1973-July 31, 73	56.7	261,184	468,069	1.792	0 .	0	. 0 . 1	4m, 09	10.	0
nny Begs 73 - Aug. 1913	. 54.5	14,427	184,090	12.760	0	0	007.5	000.000	0,42.	0
circulated wer Dollar 1, 1973 - OPEN	22.7	452,053	1,483,086	3, 280	0	. 0	101.8	0.08	20.624	0

LG- 720 2,229 ID BY THE PLANNING AND CONTROL BRANCH, SPECIAL COINAGE AND MEDALS DIVISION, WASHINGTON, D.C.

LG- 0.671 2.077

1/ Unique Silver

2/ Unique Bronze

1973 5 1975

# LIMITED OFFICIAL USE

ACCEPT ORDERS PRODUCTION PACKAGING PRODUCTION AND PRODUCTION . . . . . . . . . . . . SHIPPING

SUGGESTED NUMISMATIC PROGRAMS 1973 & 1974

Ordering Sequence

Accept Orders BM/WCO

Pa. Mint

Pa. Mint

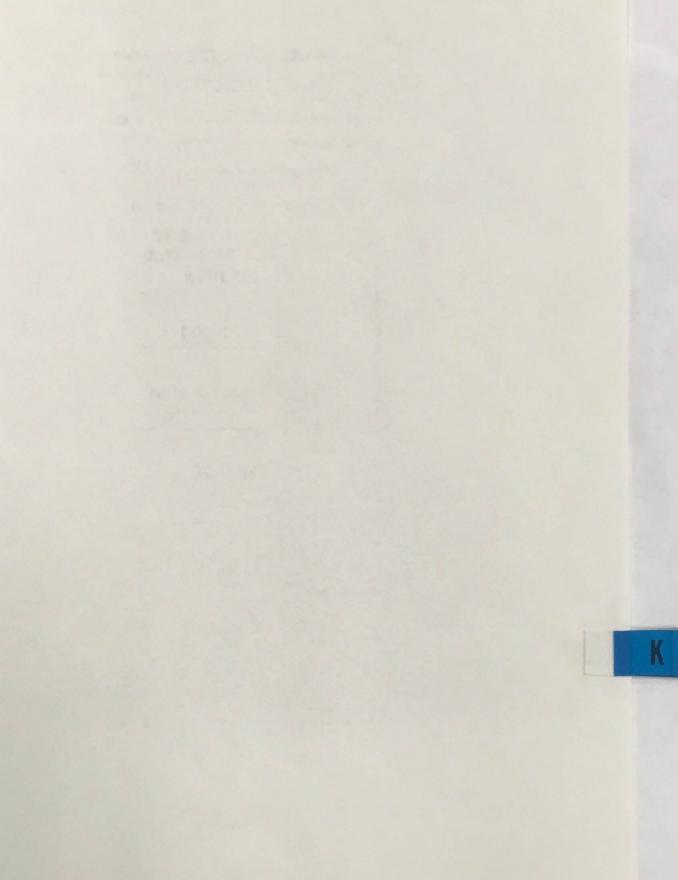
Pa. Mint

Production

Ship Orders

Packaging

1973 1975 1974 1972 Clean Clean Clean Mrs. Con. Jan. Rob. No. Oct. Nov. Dec. Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec. Jan. Feb. Mar. Apr. May June PROGRAMS (400,000 Silver Medals 188,000 orders) (200,000 Silver Medals 94,000 orders) ARBC Unique Package (600,003 kenze Medals 282,000 orders)
1/11/4
1/12/11,..... 2/15 1/+ 2/ \_ . \_ (900,000 Sirver Medals 423,000 orders) 1/9/30 \_\_\_\_\_\_ 1/31 2/ 2/1 \_\_\_\_\_ 5/7 1/ 12/16 \_\_\_\_\_\_ 3/1 \_\_\_\_\_ 5/7 Accept Orders Production & Packaging Ship Orders Pa.Mint 2/ 12/11/11/11/12 Proof Sets \_ . \_ (2,800,000 sets 969,000 orders) \_ · \_ (3,000,000 sets 1,038,000 orders) Accept Orders BM/WCO Production & Packaging SFAO 2/28 .....12/24 4/16 ...... 12/21 Ship Orders SFAO Uncirculated Sets Accept Orders BM/WCO \_ . \_ . \_ (1,700,000 sets 634,000 orders) Package & Insert 2/4 \_\_\_\_\_\_\_6/28 \_\_\_\_\_8/2 NYAO Ship Orders NYAO Proof Dollars \_\_\_ (1,500,000 coins 664,000 orders) \_\_\_\_ (1,200,000 coins 531,000 orders) Accept Orders Production & Packaging SFAO Ship Orders SFAO ARBC (PNC) Accept Orders . . (900,000 units 464,000 orders) Production & Packaging Pa.Mint Ship Orders Pa.Mint 9/15 ..... 12/7 Uncirculated Dollars 8/1\_\_\_\_\_(2,500,000 coins 751,000 orders)
9/12\_\_\_\_\_9/28
9/3\_\_\_\_\_=12/14
9/17\_\_\_\_\_12/28 Accept Orders BM/WCO Production SFAO NYAO Packaging Shipping NYAO List Medals Accept Orders BM/WCO Production Pa.Mint Ship Orders Pa.Mint Penny Bags BM/WCO Accept Orders (500,000 bags 40,000 orders) Production NYAO Ship Orders NYAO 9/10---10/12 America's First Medals (Washington Before Boston & Maj. Gen. Gates, for Saratoga - Two Medals) Maje to 100 - Top : step - Too fedelas



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#### U.S. BUREAU OF MINT EXPEED ORDER

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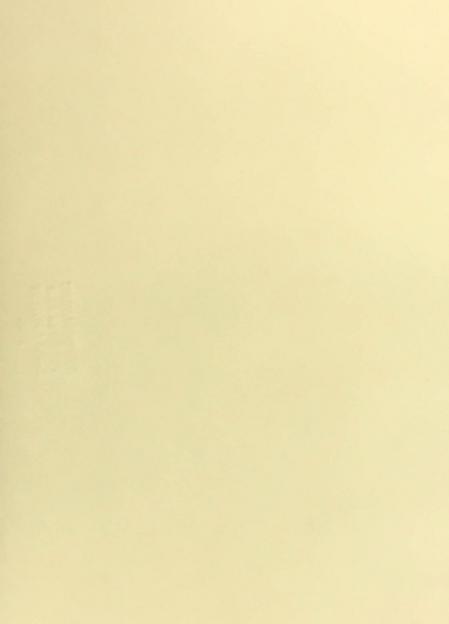
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## DATA CENTER DIVISION PRODUCTION

3/15/73	COMPUTER INSTALLED
5/1	ARBC PNC PUNCHOUT
6/1	UNCIRCULATED DOLLAR PUNCHOUT
6/30	CONTRACTOR LEAVES
7/1	DCD PROGRAMMERS CONTINUE NUCOS DEVELOPMENT
7/1	ORDER RECEIPTS AND ACKNOWLEDGMENTS
8/1	UNIQUE ARBC, SILVER AND BRONZE
8/20	TRANSFER OF EAM SECTION
9/15	UNCIRCULATED DOLLAR LABELS FOR NEW YORK
9/15	GSA CARSON CITY ANNOUNCEMENTS
9/21	PROOF SET PUNCHOUT
9/21	ARBC PNC LABELS
10/15	ON-LINE TERMINAL UPDATE CAPABILITY
10/15	MUSEUM INQUIRY PILOT PROGRAM
10/31	BASIC NUCOS CHECKED OUT, TESTED, AND



Bureau of the Mint Directors Conference Lept 17-18 - 1973



Construction of New United State Mont 1461 60 home



# CONSTRUCTION OF NEW UNITED STATES MINT DENVER, COLORADO

Final Revised Environmental Impact Statement

Prepared by

Bureau of the Mint
Department of the Treasury
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

May 29, 1974

Prepared for

U. S. Department of the Treasury
Main Treasury Building
Washington, D. C. 20220

### NEW UNITED STATES MINT DENVER, COLORADO

( ) Draft

(X) Final Environmental Statement

Responsible Office:

Bureau of the Mint

Treasury Department, Washington, D. C. For additional information contact:

Frank W. Rhea

Denver Mint, 320 West Colfax Avenue

Denver, Colorado 80204 Telephone: (303) 837-4556

1. Name of Action: (X) Administrative Action () Legislative Action

Description of Action: Construction of a combination of high-bay, 2. one-story buildings and multistory support/administrative buildings, all comprising the new Denver Mint. Auxiliary construction would consist of parking areas, paved vehicle maneuvering areas, all necessary utilities and landscaping. Total gross building space would be about 700,000 square feet. The Treasury Department is considering two possible sites, without favoring either location until this statement, including the comments on the draft statement, has been evaluated. The two sites are (1) the northwest corner of the Clayton Trust Property at Park Hill in Denver, and (2) the northwest corner of the Denver Federal Center in Lakewood. The State of Colorado, the City and County of Denver, the City of Lakewood and Jefferson County would be affected by this proposed action. The proposal would assure the required production of high quality coins for the United States.

3. Summary of Environmental Impacts and Adverse Environmental Effects:

The proposed facility should provide an appropriate and beneficial use of either potential site. Adverse environmental impacts of the proposal are (1) the increase in automotive traffic which its operation will bring to the areas, (2) the additions of stationary source and vehicle-generated air pollutants, (3) some adverse economic and social effects on the City of Denver if the new mint were located outside of the City, and (4) the various short-term impacts during the construction period.

### 4. Major Alternatives Considered:

- a. Continuation of the operation of the present Denver Mint without constructing a new facility.
- b. Construction of a new mint at some other location.

# 5. Written Comments on the Draft Revised Statement for This Proposed Project Have Been Received From the Following:

United States Congresswoman Patricia Schroeder Environmental Protection Agency Department of Agriculture Department of the Army, Corps of Engineers Department of Health, Education and Welfare Department of Housing and Urban Development Department of the Interior Department of Transportation Advisory Council on Historic Preservation General Services Administration Office of Economic Opportunity State of Colorado Department of Health State of Colorado Department of Highways State Historical Society of Colorado Colorado Division of Planning (State Clearing House) Denver Regional Council of Governments (Regional Clearing House) Regional Transportation District Metropolitan Denver Sewage Disposal District Number One City of Aurora City of Brighton City and County of Denver Board of Water Commissioners, City and County of Denver Denver Chamber of Commerce City of Lakewood Lakewood Chamber of Commerce Jefferson County Greater Park Hill Community Inc. League of Women Voters of Denver Professor John Marr, University of Colorado Elmer Metcalfe

6. Dates on Which Statements Made Available to the Council on Environmental Quality and the Public:

Draft Revised Statement - February 27, 1974

Final Revised Statement - May 29, 1974

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Appendix D - Aerial Photograph of Denver Federal Center Area

Appendix E - Classification and Wage Scale of Denver Mint Employees

Appendix F - Comments Received on Draft Revised Statement

### FINAL REVISED ENVIRONMENTAL IMPACT STATEMENT NEW UNITED STATES MINT DENVER, COLORADO

### 1. Description of the Proposed Action.

### 1.1 Project Description.

### a. Basic Requisites

It is proposed to construct a new mint to assure production of high quality coins in sufficient quantities to meet the requirements of the people of the United States.

In a study completed in May of 1969, the Treasury Department concluded that the total demand for domestic coins in 1980 would be 12 billion coins per year, but the growth in coinage demand has been such that more recent studies and projections indicate that the total requirement by 1980 may be as high as 18 billion coins per year. Total production capacities of the existing mints at Philadelphia and Denver, and the Assay Office in San Francisco, fall far short of the 1980 coin requirements. A new mint will be required with a capacity of approximately 10.5 billion coins per year by 1980. Building space and outside areas in the present United States Mint institutions, including the present Denver Mint, which has a capacity of about 4.0 billion coins per year, are saturated, and it is not feasible to expand these facilities.

The proposed new mint would have the mission of producing domestic coins of all denominations, plus some production of foreign coins, proof coins and medals. It is the intent of the Treasury Department that the new mint would perform essentially all functions involved in coin production, starting with the receipt of virgin metal and proceeding through the process steps to the production, storage and shipment of finished coins and medals. Necessary administrative and production support space and facilities are to be included in the mint, including a tourists' observation gallery.

The following specific functions/space requirements are planned for inclusion in the new mint:

### (1) Primary Functions

Melting and casting of various metals and metal alloys, strip rolling and cleaning, strip slitting, blanking, blank annealing and cleaning, upsetting, coining, counting and bagging, packaging in the case of proof coins and medals, and coin storage.

### (2) Direct Support Functions

Assay and quality control, die production from the hub stage, building and production equipment maintenance and repair, shipping and receiving (coinage metal, coins and supplies) and warehousing.

### (3) Administrative Support Functions

Mint Staff (Superintendent, Deputy Superintendent, Accounting, Automatic Data Processing, Personnel, Supply and Purchasing, Safety and Security), visitors' gallery, numismatic sales, cafeteria, conference rooms and training areas, vehicle parking (employees and visitors), and other miscellaneous office space.

Current planning for the new mint is based on completion of both construction and installation of production equipment by mid-1979. After a phase-in operational period, and relocation of equipment, furniture, supplies and personnel from the present Denver Mint, full operation of the new mint is planned to commence in early 1980.

The present Denver Mint is listed in the National Register of Historic Places. The use of this historic landmark after completion of the new mint cannot be determined finally at this time. Due to the inherent uncertainties involved in projecting coinage demand, it is possible that this facility might be continued in use as an auxiliary to the new mint. Alternatively, it could be remodeled and renovated to provide for another use, such as office space, for the Federal Government or for the City and County of Denver. In any event, the provisions of Executive Order 11593 of May 13, 1971 will be applied with respect to this National Register property.

The new mint is being planned for year 1980 production capacity of 10.5 billion domestic coins per year and 25 million proof coins and medals per year, on the basis of operating the facility 3 shifts per day, 5 days per week, 240 days per year. The new mint would be designed and constructed to provide space for expansion of critical operations and to provide for reasonable expandability of the entire facility to accommodate increased production requirements as they develop in future years. An ultimate capacity of 28 billion coins per year is foreseen at this time.

Detailed design of the new facility has not been started at this date. However, based upon careful analysis of the functions to be performed and required capacities of the various production processes, the following definitions of the scope of the proposed new mint have been determined:

- (a) A site consisting of a minimum of 30 acres.
- (b) Building space of approximately 700,000 square feet.

It is proposed to design and construct a new mint which would provide structures and surrounding grounds that reflect the importance and dignity of the special function of the United States Government to be performed in the facility, would be in harmony with and enhance the area where it is located, and would provide for the important tourist aspects of the facility.

#### b. Proposed Alternative Sites

At this time the Treasury Department is proposing two alternative sites for the new mint, without favoring either location until this statement, including the comments on the draft statement, has been evaluated. The two proposed alternative sites are:

- Site A The northwest corner of the Clayton Trust
  Property at Park Hill in the City and
  County of Denver, near the intersection of
  Colorado Boulevard and Smith Road. (See
  General Location Map, Appendix A-1, site
  map, Appendix A, and aerial photograph,
  Appendix B.)
- Site B The northwest corner of the Denver Federal
  Center in the City of Lakewood, near the
  intersection of Union Street and the West
  Sixth Avenue Freeway. (See site map,
  Appendix C, and aerial photograph,
  Appendix D.)

The proposed sites would supersede the previously selected site along the west bank of the South Platte River, extending from about 18th Avenue to Speer Boulevard. The South Platte site was discussed in detail in a Final Environmental Impact Statement dated February 2, 1973. This site has been abandoned because of the incompatibility of having the new mint on a long, narrow strip of land immediately adjacent to the mainline north-south railroad trackage through Denver, which the Burlington Northern Railroad Company plans to construct on the west bank of this reach of the South Platte River. Due to the size of the proposed mint structures and constricted width in the center portion of the site, the layout of the mint on this property would require large building complexes at the two end portions of the area, with about 1,000 feet of open space in between. This situation, coupled with the planned raised grade of the railroad tracks to avoid potential South Platte River floods, would make the frequent heavy train traffic highly apparent to the many public visitors (approximately 250,000 per year at the present mint), to the mint personnel themselves, and to observers from the surrounding highways and other areas. These conditions, which also would accentuate the inherent operational difficulties of this site, would be completely out of

harmony with the envisaged new mint, which is being planned to serve as an important tourist attraction and to reflect the importance and dignity of the United States Government coinage operations that would be performed in the facility. The Treasury Department had no knowledge of plans to place mainline railroad trackage in such close proximity to the mint property until October 1973, some six months after the formal South Platte site agreement between the City of Denver and the United States Government was signed on May 24, 1973.

#### c. Project Legal Authority

The Act of August 20, 1963, Public Law 88-102 (31 U.S.C. 291 et seq.) authorizes the Secretary of the Treasury, acting through the Administrator of General Services, to design, construct, furnish and equip such buildings as may be required in connection with the operations of the Bureau of the Mint and to acquire suitable sites for such buildings. In accordance with that authority, in its fiscal year 1972 appropriations request, the Department proposed \$1.5 million for the acquisition of a site to construct a new facility in replacement of the present Denver Mint. In the Act of July 9, 1971, Public Law 92-49, the Congress appropriated the requested funds. For fiscal year 1973, the Congress appropriated an additional \$2 million for the construction of the new facility (Act of July 13, 1972, Public Law 92-351).

Section 3495 of the Revised Statutes, as amended (31 U.S.C. 261), provides that "The different mints and assay offices shall be \* \* \* the mint of the United States at Denver." The statutory language, while clearly requiring that the new facility be located in the Denver area, leaves administrative discretion to select a site for the new facility either within or outside the corporate limits of the City and County of Denver. As the word "at" has been judicially construed, it connotes "nearness" or "proximity" to a particular place.

Thus, location of the new mint at either site considered in this statement would fulfill the statutory requirement.

### 1.2 The Existing Environmental Setting of the Proposed Sites.

### a. Site A - Clayton Trust Property

The proposed site consists of about 35 acres located in the northwest corner of the Clayton Trust Property (Park Hill) near the intersection of Colorado Boulevard and Smith Road. The Clayton Trust Property is administered by the George W. Clayton Trust Commission, consisting of the Mayor, the President of the Council, and the Manager of Revenue of the City and County of Denver. The proposed site is about four miles northeast of the Denver Central Business District. Presently, the proposed mint site is occupied by a portion of the Park

Hill Golf Course. In order to provide the planned space for the new mint buildings and grounds, nine golf holes would have to be relocated. If this site is selected, the City of Denver would rebuild the nine holes on the ample unimproved acreage in the southeast corner of the Clayton Trust Property. Assuming a site decision by July 1, 1974, the Mayor has stated that it would be possible to have the new nine holes ready by September 1, 1975. The present golf layout could be used throughout the 1975 golfing season, as it is contemplated that mint construction would commence in January 1976. Thus, it is not anticipated that there would be any time lost in availability of an 18-hole golf course at Park Hill for area golfers.

A rail line is near this proposed site, to the north of Smith Road. A spur track, crossing Smith Road at grade, could be brought into the proposed site to provide for rail service to the mint. Smith Road is lightly traveled and is crossed by similar tracks in the vicinity. The availability of the spur would be advantageous, as it is desirable to have rail access for delivery and shipment of large tonnages of metal, coin blanks, coins and metal scrap.

Road access to the site is available from Colorado Boulevard at 40th Street, and from Smith Road at approximately 1,400 feet to the east of Colorado Boulevard. Connections and adequate intersections exist for north-south traffic on Colorado Boulevard and eastwest traffic on Interstate 70. The intersection of these two main arteries is a cloverleaf, about 1,800 feet to the north of the proposed site.

This proposed area is now landscaped as a golf course. In general, the land is a gently sloping area that would be suitable for both construction and drainage.

To the north of the proposed site, across Smith Road and the railroad, is an industrial and warehousing area. The buildings are relatively new and inconspicuous from the proposed mint site. To

<sup>1</sup> Letter, Mayor of the City and County of Denver to Frank W. Rhea, February 12, 1974.

A copy of each document referred to in this Statement may be consulted by any interested person at the Office of the Bureau of the Mint Facilities Project Manager, Denver Mint, 320 West Colfax Avenue, Denver, Colorado 80204. Documents presenting comments on the Draft Environmental Impact Statement are also reproduced in Appendix F of this Statement.

the west is a combination industrial and residential area. This area is rather widely separated from the mint site by Colorado Boulevard. The area to the east and south of the proposed site would continue to be used for the Park Hill Golf Course. This open recreational area would separate the mint site from the light industrial complex to the east of Dahlia Street and the residential area in the vicinity of Dahlia Street and 35th Avenue.

Electric power, gas, water and sewer lines are available nearby. There are no existing utilities to be removed nor relocated to make the site usable. It would, however, be necessary to construct a heating plant for the new mint at this site.

The proposed site is well drained and is not subject to flooding nor a high water table. The area is generally one of low, rolling hills composed of sand with some clay. The bearing characteristics of the soil are generally good; however, fairly extensive spread footing and drilled pier foundations would be required to provide adequate foundations for the buildings envisaged.

Public transportation to this proposed site is now provided by the Denver Metro System. A main bus line runs north and south on Colorado Boulevard. Necessary transfer points are available to other bus lines. Plans for a new rail Personalized Rapid Transit System prepared by the Regional Transportation District include a main station at Colorado Boulevard and Colfax Avenue. Transportation would be by bus from this point to the proposed site, a distance of about two miles.

The natural climatic environment of the proposed site is generally considered excellent. Precipitation is 10 to 15 inches per year, and the average relative humidity is about 40 percent.

Wildlife species in the area are negligible. There would be sufficient remaining open land in the Golf Course area to provide habitat for any life forms affected.

### b. Site B - Denver Federal Center

The proposed site consists of about 35 acres located in the northwest corner of the Denver Federal Center, a Government-owned installation under the control and jurisdiction of the General Services Administration. Within the Federal Center are numerous office and laboratory buildings, housing various Federal Government activities, and a large Federal Supply Warehouse located along Alameda Avenue. The proposed site, which is approximately eight miles west of the Denver

A Public Transportation Plan for Colorado's Regional Transportation District, Summary Report, March 1973, Page 34.

Central Business District, is in Lakewood and is adjacent to Union Street to the west and the West Sixth Avenue Freeway to the north. Presently on the site are some obsolete storage and other small buildings, all of which would be removed to provide for the new mint.

A rail spur, which crosses Sixth Avenue at grade, enters the Denver Federal Center from the north and passes within 300 feet of the proposed mint site. This facility would be advantageous, as it is desirable to have rail access to the mint buildings for delivery and shipment of large tonnages of metal, coin blanks, coins and metal scrap.

Highway access to the site is available from Union Street via North Avenue and from within the Federal Center itself, which also has road access from Kipling Street and from West Alameda Avenue. The North Avenue access would be used exclusively for mint traffic (employees, tourists and commercial), as the mint area would be physically separated from the remainder of the Federal Center by security fencing. A new access from Union Street for other Federal Center traffic would be provided at West Second Place, about the mid-point between Sixth Avenue and Alameda Avenue. Connections to the Sixth Avenue Freeway exist at Union Street and at Kipling Street.

There is no appreciable landscaping nor plant growth in the proposed area. The area is generally vacant open land, except for the existing minor storage buildings near the periphery which are to be removed.

To the north of the proposed site, across the Sixth Avenue Freeway, are several recently constructed commercial buildings and a motel. To the west are office buildings, a tennis facility, residential buildings and a commercial office and shopping area under development.

Electric power, gas, water and sewer lines are available within the Federal Center. There are no utilities to be removed nor relocated to make the site usable. Sufficient capacity is available from the existing central heating plant to provide steam for heating the proposed mint structures.

The proposed site is well drained and is not subject to flooding nor a high water table. The substrata in the area are stiff to very stiff clay and a sandy clay. Bedrock should be encountered from eight to 15 feet below the surface, thus building foundation conditions are considered to be very satisfactory.

Public transportation into the Federal Center grounds is now provided by busses of Denver Metro Transit, using West Alameda and Kipling Street. Plans for the new rail Personalized Rapid Transit System prepared by the Regional Transportation District include service to the Federal Center, with a main station planned in the vicinity of Sixth Avenue and Union Street, near the proposed mint site. <sup>3</sup> There are presently about 6,500 employees at the Center. Thus, the mint's approximately 800 employees would be joining with an existing base for public transportation.

The natural climatic environment of the proposed site is considered to be excellent. Precipitation is 10 to 15 inches per year, and the relative humidity averages about 40 percent.

Wildlife in the area is negligible, consisting of common birds, mice and rabbits. There would be sufficient remaining open land to provide habitat for these life forms.

### 2. Relationship to Land Use Plans, Policies and Controls for the Affected Area.

#### a. Site A - Clayton Trust Property

It is considered that construction of a new mint on the Clayton Trust Property site would be in harmony with Federal, State, and City land use plans, policies and controls for the affected area. The site in question is designated as park or open space on the land use plan of the Denver Regional Council of Governments. However, the latest City of Denver land use plan shows approximately three-fourths of the site as industrial space and one-fourth as park or open space. By Resolution Number 6, passed by the Council on January 28, 1974, and approved by the Mayor on January 29, 1974, the Council of the City and County of Denver urged Mrs. Mary Brooks, Director of the Bureau of the Mint, to select the Park Hill Golf Course site for the location of the new Denver Mint. The new mint buildings and the surrounding landscaped areas, in conjunction with the adjacent golf course open area, should add to the aesthetics of the locality. The proposed project is compatible with

<sup>3</sup> Letter, Regional Transportation District to Frank W. Rhea, April 24, 1974, Appendix F, Page F-53.

<sup>4</sup> Regional Land Use, Highway and Public Transportation Plans, Denver Region, Regional Council of Governments, Summary Report, October 1973.

<sup>5</sup> Denver 1985, A Comprehensive Plan for Community Excellence, Denver Planning Office, January 1971.

<sup>6</sup> Resolution No. 6, Series of 1974. Introduced by the entire Council. A resolution urging Mint Director Mary Brooks to keep the Mint within the City and County of Denver.

the commercial and industrial activities to the north and east. Road and rail access into the north side of the site could be accomplished so as to avoid any adverse visual impact to the residents in the area. Reconstruction of the golf course in the open area on the east side of the Clayton Trust Property could be accomplished before mint construction commenced (projected for early 1976) so that there would be no interruption in availability of golf course facilities. There is a major park, the Denver City Park, including a municipal golf course, about two miles south of the proposed site. The proposal would not involve displacement of residences nor commercial enterprises. Location of the new mint on this site could serve as a positive factor in providing for stability and improvement of the surrounding neighborhood, and probably would enhance residential property values in the vicinity.

The most recent listing of the National Register of Historic Places has been reviewed, and it has been determined that no National Register property is on the site, nor is there any in the vicinity which would be affected by the project. The State Historical Society of Colorado reviewed the Draft Environmental Statement and concluded that no historic sites nor archaeological resources would be affected at either proposed location for the new mint. The proposed undertaking should contribute to the preservation and enhancement of surrounding areas, buildings, structures and objects of historical, archaeological, architectural or cultural significance.

It is believed, on balance, that locating the new mint at this proposed site would constitute a proper and beneficial land use.

### b. Site B - Denver Federal Center

Construction of a new mint on the proposed site is considered to be in harmony with known Federal, State and local land use plans, policies and controls for the affected area. The mint buildings proposed for the project would replace the existing small storage buildings on the site. The mint buildings, and the activities to be performed therein, would be compatible with the other Federal structures and activities presently located at the Federal Center and would be consistent with long-range plans for development of this Federal installation. The new mint buildings and surrounding landscaped areas should complement the Federal Center facilities and the adjacent commercial and private developments to the west and to the north.

Location of the mint on this site would avoid the necessity of taking additional land for Federal uses away from the private or local

<sup>7</sup> Letter, State Historical Society to Frank W. Rhea, April 3, 1974.

<sup>8</sup> Letter, State Historical Society to Frank W. Rhea, April 18, 1974.

government sector. There would be no displacement of families nor commercial enterprises.

The areas to the west of the proposed site and to the north, across Sixth Avenue, are zoned E73-77, Commercial, under the current approved zoning plan of the City of Lakewood. The existing commercial and private developments, and the planned Union Square development to the west, would provide an appropriate and compatible setting for the new mint. The Federal Center property acts as a buffer between the proposed site and areas to the south and to the east.

The mint activity at this location would be consistent with land use plans of the Denver Regional Council of Governments, 9 which designate the entire Federal Center as a major activity center, and with the recently published "CONCEPT:LAKEWOOD," a draft comprehensive plan for the future development of Lakewood.

The most recent listing of the National Register of Historic Places has been reviewed, and it has been determined that no National Register property is on this site, nor is there any in the vicinity which would be affected by the project. The State Historical Society of Colorado reviewed the Draft Environmental Statement and concluded that no historic sites nor archaeological resources would be affected at either proposed location for the new mint. Il The proposed undertaking would not result in the transfer, sale, demolition, or substantial alteration of any potential National Historic Register property at the Federal Center.

It is believed, on balance, that locating the new mint at this proposed site would constitute a proper and beneficial land use.

### 3. The Probable Impact of the Proposed Action on the Environment.

The construction of a new mint on either of the proposed sites would have some effects on the environment. The environmental impacts divide between those involved with the use and operation of the completed facility and those relatively shorter-range impacts specific to the

<sup>9</sup> Regional Land Use, Highway and Public Transportation Plans, Denver Region, Regional Council of Governments, Summary Report, October 1973.

<sup>10</sup> CONCEPT:LAKEWOOD, November 1973. A Comprehensive Plan for the City of Lakewood. Final Draft for community consideration. Not adopted as of date of this Statement.

<sup>11</sup> Letters, State Historical Society to Frank W. Rhea, April 3, 1974 and April 18, 1974.

construction period. A discussion of the probable effects follows:

# 3.1 Transportation of Materials, Employees and Visitors Into and Out of the Facility.

These introductory remarks pertain to both proposed sites. new mint at either location would produce some shift in traffic patterns in the Denver metropolitan area and a small overall increase in traffic in the area. The new mint would have approximately 800 employees, as compared to 461 employees presently working at the Denver Mint. Of the 461 current employees, 10 percent reside within a 2-mile radius of the existing mint, 41 percent within a 5-mile radius, and 82 percent within a 10-mile radius, in a generally circular pattern. After several years of operational status of the new mint, it is expected that this residence pattern would be generally applicable to the proposed new locations. Presently, about 285 private automobiles are used daily by employees in getting to and from work. These automobiles carry approximately 360 persons and travel an average one-way distance of about seven miles, for a total daily vehicle miles traveled of 3,990. Of the remaining 101 employees, nearly all use public transportation, with one or two riding bicycles, and about five persons walking during favorable weather. The number of walkers and bicycle riders probably would increase slightly at the Clayton Trust site, but the effect is considered insignificant.

For either location the traffic loads would consist of employee automobiles, commercial vehicles servicing the mint, and tourists' private automobiles and busses. Based on 1973 patterns of use of transportation modes and systems, the traffic load for the projected 800 mint employees' private automobiles would be approximately 135 cars inbound and 135 cars outbound during each shift change (presently 7 A.M., 3 P.M., and 11 P.M.), 80 cars inbound at about 8 A.M. and 80 cars outbound at about 4:30 P.M. The above-listed total estimate of daily traffic is valid, but the traffic at the hours mentioned are summaries of varied conditions. For operational reasons, there are many subsidiary shifts at the mint which tend to spread the total traffic flow throughout the day. It is expected that the number of employee automobile trips will decrease with improvements in public transportation systems and the continuing State and Federal programs to reduce vehicle miles traveled in the Denver area. If it were desirable, shift changes could be readjusted to avoid peak traffic periods in either site vicinity, or alternatively, to provide for better accommodation with public transportation schedules as they are developed and expanded. The 20 daily commercial vehicle trips in and out of the facility would be scheduled to the maximum extent feasible to avoid rush-hour traffic. The tourist traffic, averaging an estimated 140 cars and 5 busses daily, would occur in the middle portion of the day and thus would naturally avoid peak periods. Mint traffic would terminate in its own parking areas and would not add to parking congestion in the site vicinity. There would be separate parking areas for visitors and for

mint employees. At the present mint there are no parking facilities for public visitors.

### b. Site A - Clayton Trust Property

While the overall road network in the vicinity of this site is excellent, congested conditions and traffic delays occur presently on Colorado Boulevard and on I-70 during peak periods. In 1971 (the latest year figures are available from the Colorado State Highway Department) average daily traffic on Colorado Boulevard adjacent to the site was 29,800 vehicles and on I-70 at the Colorado Boulevard intersection was 58,700 vehicles. In Mint employee traffic would add 970 one-way trips at the immediate site location, if 1973 transportation patterns are continued. It is estimated that tourist traffic and commercial service traffic would add an average of 330 one-way trips daily. As indicated previously, all of this mint traffic would be planned and scheduled to avoid peak periods to the greatest degree practicable.

This site is presently served by existing public transportation, which service is to be expanded and improved. The following significant comments are quoted from a letter from the Regional Transportation District regarding transit implications for the proposed mint sites.

"The short-term public transportation plan, the Early Action Program, involves improvements to bus service for the District. The Park Hill site is currently served by existing bus service. Route 15, which serves the Park Hill site directly, is a scheduled North-South service on Colorado Boulevard interconnecting with scheduled East-West routes - 64, 28, 40, 14, 13 and 6 within a distance of about three miles. These routes service Denver's Central Business District and points east and northwest. Additionally, regional service between Boulder and the C. U. Medical Center may include a stop for the Park Hill site on its existing route. Under the Early Action Program, bus frequencies on each of the local routes will be increased. Bus frequencies for Route 15 will be improved to one bus every fifteen minutes. With increased frequencies on the interconnecting bus routes, as well, the Park Hill site will be readily

<sup>12</sup> Letter, Colorado State Department of Highways to the Treasury Department, February 11, 1974.

<sup>13</sup> Letter, Regional Transportation District to Frank W. Rhea, April 24, 1974, Appendix F, Pages F-51-53.

accessible by transit for employees and tourists.

"The timing for the short-term transportation plan calls for the implementation of improved bus service in 1975. Because of the flexibility of bus routes and bus operations, bus service may be changed under the Early Action Program to accommodate the transit needs of either Mint location. Future improvements beyond the Early Action Program to bus operations will be accomplished in accordance with the Transit Development Plan, a five-year management and improvement plan.

"The long-term public transportation plan involves the implementation of a personalized system of rapid transit on fixed guideways with a variety of levels and types of bus service to support the rapid transit system. This Personalized Rapid Transit (PRT) system includes approximately 58 stations and 100 miles of guideway throughout the Regional Transportation District.

"With regard to PRT service, the Park Hill site will not be directly served. The closest PRT station location to the Park Hill site will be in the vicinity of East Colfax and Colorado Boulevard, a distance of approximately 2.5 miles. The transit link between the Park Hill site and the station will be accomplished by local bus service circulating within this area. The level of bus service and frequencies in this general Northeast Denver area has not yet been determined but a high frequency of service may be anticipated for North Colorado Boulevard because of the need to serve the adjacent residential neighborhoods and type of activities located on this arterial: Phipps Auditorium, Museum of Natural History, City Park, school, City Park Golf Course, Park Hill Golf Course, and the industrial uses and employment locations in the I-70/ Colorado Boulevard general area. The Park Hill site will be accessible from all parts of the region by rapid transit via a transfer to local busses circulating in the neighborhood.

"There are no negative environmental comments relating to transit regarding either site for the proposed mint location."

The mint-generated traffic would effect a net addition in vehicle miles traveled (VMT) in the Denver area. The total VMT would be centered generally in a circular pattern around the mint, with the maximum traffic concentration occurring in the immediate site area.

On the basis of existing housing availability and the relatively central metropolitan area location of the Clayton Trust site, it is expected that after several years of mint operations (by about 1985), mint employee residences would be centered around the new mint in the same general patterns and distances as for the present mint. For comparison purposes, net additional VMT calculated below are based on 1973 transportation modes usage. Due to improved public transportation systems as detailed above by the Regional Transportation District, plus the State of Colorado Transportation Control Plan to reduce major automobile-caused pollutants, it is considered that the VMT figure below is a maximum. Further, for this proposed site, it is expected that there will not be any net additional VMT due to tourist and commercial service traffic because of the relatively central metropolitan area location. Per all of the above, the net daily additional VMT is estimated as follows:

970 one-way trips x 7 miles 14 = 6,790

Minus VMT for present Denver Mint = 3,990

Net additional VMT 2,800

In addition to road traffic, there would be some impact with respect to delivery and shipment of materials by rail. At this site it is proposed to connect to the Union Pacific rail lines to the north by means of a spur track crossing Smith Road at grade, approximately 1,200 feet east of Colorado Boulevard. Most of the cargo would be inbound coinage metal in either raw or coiled strip form and outbound coins or metal scrap. Planned production capacities for 1980 would require about 16 rail cars per week for these shipments. It might be necessary to provide heat and air conditioning using coal as the fuel source, depending upon the availability of natural gas or fuel oil in 1980 and the years beyond. Another four rail cars per week would be needed to deliver the required amounts of coal. These figures would be about tripled when the new mint was developed to its ultimate programmed capacity of 28 billion coins per year. The switching rail

Results of the 1971 Joint Regional Planning Program origin and destination study suggest the average work trip length for the Denver region was about seven miles. Letter, Denver Regional Council of Governments to Frank W. Rhea, April 24, 1974, Appendix F, Page F-48.

service would be at an average frequency of three times per week and would be performed during those daylight hours when traffic on Smith Road is at a minimum. Switch trains would take three to four minutes to cross the street. This rail delivery is not considered to be a major problem due to the infrequent service, the similar grade rail crossings of Smith Road in the vicinity, and the relatively light and slow-moving nature of the traffic on Smith Road.

### c. Site B - Denver Federal Center

The overall road network in this area is excellent, with access available into the Federal Center from Alameda Avenue, Kipling Street and Union Street. Congested conditions and traffic delays occur at present during peak periods on the road network around the Federal Center, particularly at the Union/Simms - Sixth Avenue interchange. Union Street is being reconstructed currently to provide expansion from two to six lanes, plus left turn lanes, from Alameda Avenue to Sixth Avenue. Preliminary engineering is underway relative to widening Simms Street to six lanes from Sixth Avenue to Colfax Avenue. Other minor improvements, including installation of traffic signal lights, are being accomplished now to improve traffic flow through the Union/Simms - Sixth Avenue interchange. During the rushhour, congestion and traffic delays occur almost daily on Sixth Avenue from Wadsworth Boulevard east. Average daily traffic on the arteries around the Federal Center, per Colorado State Highway Department 1971 counts, was: 15

Sixth Avenue west of Kipling	32,200
Kipling south of Sixth Avenue	21,000
Union south of Sixth Avenue	15,700
Alameda west of Kipling	12,000

Mint employee traffic would add 970 one-way trips in the immediate site vicinity, again based on 1973 transportation patterns. It is expected that tourist traffic to this proposed site would be somewhat less than that for the existing mint, or the Clayton Trust Property site, due to the distance from other tourist attractions and the Denver Central Business District. Tourist traffic is estimated at 100 private vehicles, plus 5 busses daily. This, plus commercial service traffic, would add an average of about 250 one-way daily trips. Also, it is estimated that the tourist traffic would travel a net additional eight miles, the distance from the center of Denver to the proposed site. All mint traffic would be planned and scheduled in coordination with other Federal Center traffic and to avoid peak

<sup>15</sup> Letter, Colorado State Department of Highways to the Treasury Department, February 11, 1974.

periods to the greatest degree practicable.

The Federal Center has existing public transportation service which is planned for expansion and improvement. The following is quoted from the Regional Transportation District comments regarding transit implications for the proposed mint sites.

"The Federal Center Mint site at 6th and Union is not currently served directly on a regularly scheduled basis by existing transit operations. Routes 16 and 59 serve the Federal Center directly but only for commuter service in the morning and evening. Route 16 is a North-South service on Kipling Street. Route 59 connects the Federal Center with Denver's Central Business District. Route 75 operates regularly between the West Lakewood area and Denver's Central Business District, but the west end of the line is Alameda and Garrison, approximately 1.5 miles southeast measured on a straight line from the Federal Center site.

"Under the Early Action Program, Route 16 will be converted into a regularly scheduled North-South service on Kipling with thirty minute bus frequencies. As a scheduled service, Route 16 will interconnect with another East-West service, Route 84, which will operate between Golden and Denver's Central Business District also on a thirty minute frequency. Route 59 will be improved by the addition of two more bus trips in the morning and evening but it will remain a commuter service. Route 75 will be extended to the west under the Early Action Program to Alameda and Ohio resulting in a Federal Center bus stop at Alameda and Union Street. As a result of the Early Action Program, the transit accessibility of the Federal Center Mint site for employees and tourists will be improved. Route extensions and modification of bus service to serve the Federal Center site are possible under the Early Action Bus Program.

"The Federal Center site will be served directly by the PRT. A station location is planned for the Federal Center in the vicinity of 6th Avenue and

Letter, Regional Transportation District to Frank W. Rhea, April 24, 1974, Appendix F, Pages F-51-53.

Union Street. Thus the Federal Center site will be directly accessible from all parts of the District via rapid transit.

"There are no negative environmental comments relating to transit regarding either site for the proposed mint location."

On the same general bases as listed for the Clayton Trust Property site, the mint-generated traffic would effect a net addition in VMT in the Denver area. Due to housing availability locations, for this site an average work length trip of about nine miles is probably more appropriate, rather than the 7-mile figure from the 1971 Joint Regional Planning Program study. The VMT figure below is considered to be a maximum, due to improved public transportation systems and automobile-caused pollutants reduction programs underway and planned. Net additional VMT is estimated as follows:

970 employee one-way trips x 9 miles = 8,730
250 tourists and commercial one-way trips x 8 miles = 2,000

Minus VMT for present Denver Mint 3,990

Net additional VMT 6,740

For this site also, there would be some impact with respect to rail service. The existing rail spur enters the Federal Center from the north and crosses the Sixth Avenue Freeway at grade. This spur is in active use for shipments to and from the Federal Center involving about 30 rail cars per week. Present switching service is being accomplished at a frequency of three times per week at some time between the hours of 11 A.M. and 3 P.M. Switch trains take about four minutes to cross Sixth Avenue. The additional rail cars for the mint (16 cars' per week in 1980 and about 48 cars per week ultimately) would be added to the existing switch trains, with no increase in frequency required. This rail service to the Federal Center creates somewhat of a safety problem due to the grade crossing and the intensity and relatively highspeed nature of the automotive traffic on Sixth Avenue, but the requirements of the new mint would not add appreciably to the problem. The existing rail service is necessary for efficient accomplishment of Federal Supply Activities performed from the Federal Center, and there are no plans for discontinuance of this rail traffic.

### 3.2 Potential Pollution - Air, Water, Solid Wastes and Noise.

### a. General

Due to the nature of the industrial operations planned to be performed in the new mint, there are several potential pollution problems associated with the construction and operation of the facility. These potential problems are similar for both of the proposed locations. All of these potential problems will be analyzed in great detail during the design of the new mint by the architect-engineer. None of these problems are excessive to the point of requiring new state-of-the-art equipment and systems, but each must receive special attention. It is the intent of the Treasury Department that the new mint would be designed and constructed to comply with the letter and spirit of all local, State and Federal laws and regulations pertaining to the prevention of air, water, and noise pollution and solid wastes disposal. In this regard, it is intended that the new mint would be provided with the most modern and efficient pollution measurement and prevention systems and equipment available so that the plant would serve as a model in the field of pollution prevention and control. Upon completion of the preparation of the plans and specifications for the proposed facility, they will be submitted to the Environmental Protection Agency for review, so that that agency can assure that the specifically designed pollution control systems and equipment will comply with the provisions of Executive Order 11752, dated December 17, 1973.

### b. Air Pollution - Stationary Source and Motor-Vehicle Generated

The new mint would generate some fumes from its metal melting and casting operations, from strip rolling and finishing and from blank annealing and cleaning. It is planned to install fume collection systems, employing hoods and ductwork, and to cleanse all fumes from the industrial operations using electronic precipitators, cyclone centrifuges, filters and scrubbers. Specific equipment, which will be designed for near zero air pollution emissions, will insure that extruded air meets or exceeds all local, State and Federal standards for air quality. Similar, but older, models of the types of equipment involved are installed in the Philadelphia Mint and the present Denver Mint and are functioning adequately in meeting air quality standards. With this installed equipment, it is considered that air pollution effects from the industrial operations would be negligible.

The same negligible effects generally would be true for any potential stationary source air pollution from the facility heating plant. At the Denver Federal Center there is sufficient capacity available in the existing central steam heating plant to serve the proposed mint. The primary source of fuel for the heating plant, which has three boilers, is natural gas, with No. 2 fuel oil being used as

the main standby fuel. Two boilers have been converted so that they are capable of burning coal, but the third boiler cannot be converted to coal use. With two boilers in operation, there would be sufficient capacity for existing Federal Center loads, plus the new mint load, leaving one boiler in reserve. While burning natural gas or fuel oil, the heating plant has been tested by the Air Pollution Control Division of the Colorado Department of Health and found to be in compliance with Federal and State emission standards and clean air standards. 17 While burning coal the plant was not in full compliance with Federal and State standards. The General Services Administration has this problem under engineering study and design and has stated that necessary corrective measures will be installed so that the plant meets all required emission and air standards far in advance of the new mint planned operational date of 1980. 18 At the Clayton Trust Property site, it would be necessary to construct a heating plant for the new mint, which would be fired with clean fuels if they are available. If it were necessary to use coal as the fuel, on either a prime or standby basis, precipitators and other necessary control measures would be installed so that the plant would be in compliance with all Federal and State standards relative to emissions and clean air. Thus, at both sites the heating of the new mint would comply with clean air standards and the net quantity and quality of any emissions would be the same for the two proposed sites.

With respect to the impact of any stationary source pollutants as discussed in the preceding two paragraphs, the following comment from the Colorado Department of Health is considered to be significant.

"The air quality data supplied in the Impact Statement presented, for 1970, an annual geometric mean for suspended particulate matter of 60.3 ug/m³ (micrograms per cubic meter) for the Lakewood site (see Attachment A). The station is approximately one mile east of the Denver Federal Center proposed mint site. However, the sentence on page 14 of the Statement, "The School Administration Building is representative of air quality conditions at the proposed Park Hill site" is not correct. A much closer station is the Hull

<sup>17</sup> Letter, General Services Administration to Frank W. Rhea, April 24, 1974, Appendix F, Pages F-33,34.

<sup>18</sup> Ibid., Appendix F, Page 34.

<sup>19</sup> Letter, Colorado Department of Health to Frank W. Rhea, April 18, 1974, Appendix F, Pages F-37, 41.

Photo site at 5105 East 38th Avenue. This station is approximately one mile from the proposed Park Hill Mint site. The annual geometric mean, for 1970, of suspended particulate matter from the Hull Photo station was 79.6 ug/m<sup>3</sup>. If the 1972 recorded and 1973 projected levels of suspended particulate matter are considered (see Attachment B), there is not much difference between the two sites; therefore we feel both sites are about comparable considering only this one pollutant.

### "ATTACHMENT B

## SUMMARY OF SUSPENDED PARTICULATE DATA

	<u>Annual</u>	Geometric	Mean	$(ug/m^3)$
	1970	1971	1972	1973
Lakewood Hull Photo	60.3 79.6	71.0 84.0	71.0	72.0* 78.0*

<sup>\*</sup> projected "

In accordance with the above discussions and statements from the Colorado Department of Health, it is considered that the stationary source air pollution problems would be minimal and would be substantially equal for both proposed sites.

In addition to the stationary source pollutants, motor vehicle pollutants would be generated in the Denver metropolitan area by the net additional vehicle miles traveled of 2,800 for the Clayton Trust Property site and 6,740 for the Federal Center site. In each case, the additional VMT would be concentrated in the immediate mint vicinity and would radiate in a generally circular pattern to a distance in excess of 10 miles.

The following is an extract from a notice of final rule making, dated October 25, 1973, by the Administrator of the Environmental Protection Agency, relative to the Colorado Transportation Control Plan, published in the Federal Register, Volume 38, No. 214 - Wednesday, November 7, 1973, beginning on page 30818.

"Title 40 - Protection of Environment CHAPTER 1 - ENVIRONMENTAL PROTECTION AGENCY Subchapter C - Air Programs Part 52 - Approval and Promulgation of Implementation Plans Colorado Transportation Control Plan "SUMMARY OF THE TRANSPORTATION CONTROL PLAN (p. 30819)

Table I summarizes the Colorado and EPA control strategy effects in tons per year of carbon monoxide and hydrocarbons in the demonstration areas listed in the Colorado plan. The demonstration areas are the CBD for carbon monoxide emissions and Denver and Adams Counties for emissions of hydrocarbons.

Table I - Compilation of control strategy effects on on carbon monoxide and hydrocarbon emissions. (Tons per year)

[NOTE: This table, showing effects of the proposed State and EPA strategies in tons per year of carbon monoxide and hydrocarbons, has been omitted from this statement because Table II, extracted in full herein, shows the same effects in percentage reductions from 1971 emissions.]

Table II - Effect of Colorado and EPA	Strategi	es by 1977
Strategies	ercent re	ductions emissions
	CO	HC
State strategies:		
1. Federal motor vehicle control		
program	31	23.0
2. Inspection/maintenance	7	2.5
3. Air bleed	4	1.0
4. High altitude modifications	10	2.5
5. VMT reductions	6	5.0
a. Bus/carpool lanes.		
b. Parking lot construction		
limitations.		
c. Limitation of on-street		
parking in the core area.		
d. Mass transit improvements.		
EPA regulations:		
6. Stationary hydrocarbon control		24.0
7. Gasoline limitation	6	5.0
Total reduction	64	63.0
Reduction required	64	60.0
Keduction redutted	04	00.0

As shown in Tables I and II, the EPA and State regulations ensure attainment of the national ambient air quality standards for carbon monoxide and photochemical oxidants (hydrocarbons) by May 31, 1977."

Table II above shows that reductions in VMT from 1971 levels will be required in the demonstration areas in the amount of 12 percent for carbon monoxide emissions and 10 percent for hydrocarbon emissions.

There are very little data available regarding motor vehicle-caused air pollutants in the Denver metropolitan region. What data exist indicate that the 8-hour concentrations of carbon monoxide during April, May and June of 1973 were almost the same for the two sites. 20 Also, August 1973 measurements of ozone (hydrocarbons) indicated that the two sites were about the same, with both exceeding the national standard of .08 parts per million on numerous occasions. 21 With respect to this matter of automobile-caused pollutants, the following is quoted from the Colorado Department of Health comments on the Draft Revised Environmental Statement for this proposed project: 22

"However, the major automobile-caused pollutants (i.e., carbon monoxide and photochemical oxidants) presently exceed Federal ambient air quality standards on numerous occasions over large portions of the Denver area. With limited air quality data for these pollutants at the two proposed mint sites, pollutant problems can be reduced by locating the mint where vehicle traffic can be minimized.

"The Impact Statement devotes several pages to the volume and impact of the induced vehicle miles traveled (VMT) of either site. Based on projections of 1973 vehicle usage at the existing Denver Mint, the Park Hill site should generate 1800 VMT less daily net average than the Denver Federal Center site. On the other hand, the average daily traffic (ADT) counts of the roadways adjacent to both sites indicate 7600 less vehicles at the Denver Federal site.

"The Department has great concern for the Park Hill area, because it falls within the boundary established by both the Department of Health and the Environmental Protection Agency to demonstrate the adequacy of transportation control strategies to attain and maintain the National Ambient Air Quality Standard for hydrocarbons by mid-1977. To

<sup>20</sup> Colorado State Health Department Document on Denver Air Quality Control Region Air Quality Measurements, December 18, 1973.

<sup>21</sup> Ibid.

Letter, Colorado Department of Health to Frank W. Rhea, April 18, 1974, Appendix F, Pages F-37, 38.

reach that standard at the Park Hill site, there must be a reduction in vehicle miles traveled (VMT) in the described area (see Attachment C.) No new source of generated VMT could be tolerated within the area without a corresponding reduction of VMT from another source, or unless motor vehicle emission control technology is improved beyond that presently considered possible."

The Environmental Protection Agency has expressed somewhat different views regarding air quality impacts for the proposed two sites. The following is quoted from comments of the agency on the Draft Statement:

"An exhaustive analysis of the ultimate air quality impacts occurring from either site would involve complex modeling and estimates of decisions about housing relocation and transportation use that may or may not occur. EPA feels that at this point, the relative merits of one site versus another from an air quality standpoint are unclear. There are further complications involved in determining where the VMT reductions should occur that make it difficult to single out one or another site.

"If carbon monoxide is the air pollution parameter of concern, then reducing VMT in the downtown area, even with some increase in the outlying urban areas, could result in a decrease in the maximum observed concentrations. This would be a beneficial transportation technique for meeting air quality standards.

"However, recent evidence indicates that control of oxidants may be more critical for the Denver area. Recent sampling data suggests that oxidants may be dispersed relatively uniformly over the Denver metropolitan area. If this is the case, a control of overall VMT related emissions becomes more important than spatial distribution of these emissions."

"The statement on page 15 that certain reductions of emissions are required in the "demonstration areas" is not strictly correct; the reductions are required throughout the Denver Air Quality

<sup>23</sup> Letter, Environmental Protection Agency to Frank W. Rhea, May 6, 1974, Appendix F, Pages F-10-12.

Control Region (AQCR).

"The demonstration area was only utilized as a tool to determine amounts of reduction in emissions necessary throughout the AQCR. As such it has no legal standing. Both Mint sites are inside the ACQR and are subject to exactly the same air quality standards."

There is one major source of VMT that is being removed from the vicinity of the Clayton Trust Property site, i.e., the Air Force Accounting and Finance Center, which is planned for relocation to a site on Lowry Air Force Base. This Accounting and Finance Center has approximately 3,200 employees and in December 1973 generated 5,152 private automobile daily one-way trips to and from the present location at 3800 York Street, Denver. The VMT involved is obviously much greater than that which would be involved with the new Denver Mint.

In any event, the net additional VMT caused by the new mint (2,800 for Clayton Trust and 6,740 for the Federal Center) would be very minor in comparison to the projected 14,700,000 vehicle miles of travel on an average day in 1977 in a 625-square mile study area of the Denver region. It is considered that the net additional VMT caused by the new mint would not have a significant effect at either site, although it would be somewhat greater for the Federal Center than for the Clayton Trust Property. The solution of air quality problems in the Denver Air Quality Control Region is dependent upon changes in uses of transportation modes and improved automotive emission control technology, not upon the mint location.

### c. Other Potential Pollution Problems

Chemical effluent will be produced from the blank cleaning operations and from the assay laboratory. Oil will be collected from the rolling mills and from the blanking and coining presses. All process water and other liquids will be collected in the plant, passed through settling tanks, oil separators, filters and chemical neutralizing basins and then reused within the plant in closed systems. Discharges from the mint into sanitary sewers will comply with the Water Quality Standards of the Colorado Department of Health. Expected discharge to sanitary sewers would be 300 gallons per minute average, with peak short-term rates as high as 600 gallons per minute. Adequate sewer

Transportation Control Strategy Development For The Denver Metropolitan Area, December 1972, prepared by TRW Transportation and Environmental Operations for the Environmental Protection Agency.

capacity is available near both sites to handle this additional discharge. These discharges will be treated within the mint, as discussed above, so that there are no pollutant concentrations which might be harmful to the biological treatment processes in the publicly-operated sewage treatment plants. Treatment facilities and sanitary sewerage systems will be protected and monitored to preclude the possibility of accidental discharge of contaminants.

Attention must be given to the handling of process cooling water used in the metal casting and strip rolling operations. Process cooling water will be recirculated within the plant in closed systems. This water will be processed through closed loop cooling towers and then reused, so that no cooling water will be discharged from the plant. Particular attention will be applied to the design of any cooling towers to reduce fog-producing conditions to almost zero. Cooling towers will be designed and located so that any such fog would dissipate within the site boundaries and there would be no adverse impact with respect to automotive traffic safety.

Solid wastes will be generated from numerous sources within the operations, with also the necessity during the construction period to remove minor quantities of (1) materials from demolished minor existing structures (in the case of the Federal Center), (2) plant growth, and (3) perhaps some unsuitable soils. Solid wastes produced during operations will be processed within the plant, with coinage scrap metal being reused. Most other solid wastes (paper products, lumber, non-coinage scrap metal) will be collected and sold to private firms for salvaging and recycling. Nonrecyclable solid wastes would amount to about 500 cubic yards per month. This would be placed in bins and removed by trash and waste disposal contractors to approved disposal areas.

Control of potential pollution during the construction operations would be accomplished by inclusion of an environmental section in the construction contract specifications requiring the contractor to comply with local, State and Federal regulations pertaining to disposal of solid wastes, erosion and dust control. Emphasis would be applied to controlling dust and water erosion.

There would be some noise pollution during the construction period. Noise from operation of construction equipment and pile driving, and other construction operations, is not expected to be a significant problem, due to the muffling effect of the relatively high automotive traffic in the vicinity of the proposed sites, and the relative isolation of the sites.

The processes of making coins inevitably produce noise, but none would be apparent outside the site boundaries, as the buildings would be designed with internal noise level controls to meet the

requirements of the Federal Occupational Safety and Health Act. Wall design would preclude any external noise problems. There would be some minor noise due to truck traffic and railroad switching engines servicing the rear of the facility. In any event, the facility would be designed and operated to be in full compliance with all local, State and Federal laws and ordinances pertaining to noise level controls.

### 3.3 Energy Use and Conservation.

Energy would be required in the new mint to operate the coinage production machinery and equipment and to light, heat and ventilate the buildings. Other than heating of the buildings, nearly all of the energy would be in the form of electric power, which the Public Service Company of Colorado has indicated would be available in required amounts The additional energy requirements of the new at either location. mint are considered to be unavoidable, as coins are required for the orderly and efficient conduct of the economic activities of the American people. It would be desirable to heat the buildings with a clean fuel such as natural gas, but if gas is not available in required quantities in 1980, heating could be accomplished with other fuels and air pollution prevention devices installed so that air quality standards would be met, as discussed previously. The new mint would be designed and constructed to conserve energy by such measures as provision of adequate insulation, reduction of windows and installation of storm windows, and use of heat generated by industrial operations and machinery for space heating.

### 3.4 Secondary, or Indirect, Environmental Consequences.

Secondary effects of the proposed action are expected to be relatively minor at either location due to the nature of the project and the small employee force in comparison to the total population and work force in the Denver metropolitan area. These effects would occur gradually and would be influenced considerably by changes in patterns of overall metropolitan area development, State and local controls on land uses, availability of gasoline for private automobiles and improvements and extensions of public transportation systems.

At both locations land for the proposed project is available, and water, sewerage, roads, electric power and other public services are already in existence as needed for the project.

It is believed that the main secondary consequences of this proposal would be with respect to housing, schools, economic impact, social impact and tourist considerations. Regarding most of these factors, the employment characteristics of the mint are considered to be pertinent. A classification and wage scale of mint employees, as of December 31, 1973, is attached as Appendix E. There are no mint

<sup>25</sup> Letter, Public Service Company of Colorado to Frank W. Rhea, February 11, 1974.

employees currently in the low-income bracket (less than \$6,826 per year for a family of 4), and there are 57 employees in the moderate-income bracket (less than \$8,883 per year for a family of 4). The overall mint average salary is \$10,839 per annum.

With the mint at the Clayton Trust Property site, the secondary consequences would be minor. As discussed in paragraph 3.1 above, it is expected that employee residences would gradually change with time from the circular pattern around the present Denver Mint, but the movement of the residence center would be in the order of two miles to the northeast. The facility would not be quite as accessible to tourists as is the existing downtown location, and there probably would be some reduction in the number of public visitors from the recent average of 245,000 per year. Most of these tourists visit other points of interest in the downtown Denver area in conjunction with their trip to the mint, or visit the mint during their stay in Denver to attend some major event such as a convention or the National Western Stock Show. It is not anticipated that there would be any increase in tourist VMT because of the relatively central metropolitan location of this site. The Clayton Trust site is close to other major tourist attractions in the area such as the Museum of Natural History, the City Park Zoo, the Coliseum and Stock Show Buildings, and the Denver Art Museum, and it is in the transportation corridor between the Denver Central Business District and Stapleton International Airport. The area encompassed by all of these tourist attractions will be readily accessible by frequent bus service by 1980, as discussed in detail in paragraph 3.1b of this statement. There probably would be a minor change in money spent by tourists for lodging, meals and automobile service from the Central Business District to areas closer to the new mint.

It is considered that there would not be any measurable impact regarding housing, schools, economic or social factors for this location because, due to the closeness to the present mint location and housing availability, the proportions of mint employees residing in the City of Denver and surrounding suburban areas is expected to remain approximately the same as now exists. Housing in Denver is commensurate with the income of mint employees and ample school capacity exists.

For the Federal Center location there would be somewhat more of an impact regarding these secondary factors. In this case, the employee residence center is anticipated to move about four miles westward from the present mint. This would occur as the work force is increased to the 800 figure and due to employee turnover, primarily through retirements. By this process, mint employees residing in Lakewood would be expected to increase from the present figure of 39 to about 100. Vacant housing, particularly in the low- and moderate-income ranges, is in short supply in Lakewood today. The overall mint average salary of \$10,839 is somewhat lower than that of Lakewood residents. Some mint employees might have difficulty in obtaining housing in

immediate proximity to the site, but this would not pose a serious problem as housing of all classes is available in the City of Denver and in Jefferson, Adams, and Arapahoe Counties, all of which areas would be available to mint employees. In addition, the comprehensive plan "CONCEPT:LAKEWOOD", cited earlier, contains recommendations that the City of Lakewood should establish a policy of requiring low- and moderate-income housing in future developments and a goal that annual housing production should include 10 percent low- and moderate-income units. It is expected that current mint employees would relocate slowly over a considerable time period, if at all, and that most of the new employees would come from the existing Denver metropolitan area work force base, so that there would not be a sudden influx of new residents into areas in close proximity to the mint site. The following is quoted from the Department of Housing and Urban Development regarding housing availability for the two proposed sites. 26

"In summary, the cost of housing in Lakewood is significantly higher than in Park Hill. Although the absolute prices and salaries will be somewhat different by the time the Mint is completed, we can expect that the relative differences will be comparable to the current situation. In general, the production levels and housing availability are greater in Lakewood. However, most of the housing is beyond the means of most Mint employees. Conversely, the availability of housing in Park Hill is more limited, but the cost of this housing is much more modest. At present, the Park Hill site would provide a much greater opportunity for moderate-income employees to move close to work.

"However, there remains somewhat of a paradox. One site (Park Hill) is near modest-cost housing, but little of it is available or being produced; the other site (Federal Center) is near areas of substantial housing production, but little of this is for moderate-income families. Therefore, we anticipate that the selection of either site will require the formulation of some sort of plan to assure the availability of moderate-price housing. We recommend that you contact us when construction of the Mint is underway. At that time, we will update our figures on the housing market and advise you as to what Federal and local resources might be utilized in the area to

<sup>26</sup> Letter, Department of Housing and Urban Development to Frank W. Rhea, May 3, 1974, Appendix F, Page F-26

provide housing for moderate-income families."

With respect to schools, the additional mint residents of Jefferson County would add to the Jefferson County School District population of 76,000 students in the 1973-74 school year. (The Jefferson County School District operates all schools in Jefferson County, including those in Lakewood.) For the total mint employee force of 800, by 1985 (when employee turnover and relocations by retirements and other factors would have been completed) it is estimated that 470 mint employees would live in Jefferson County, as contrasted to the 73 employees currently residing in the county. These approximately 400 additional employees would add about 320 pupils to the school population. Schools in Jefferson County generally are operating to capacity, that additional capacity would have to be provided to accommodate the additional 320 students. There would be other minor changes in school populations throughout the metropolitan area which would be difficult to detect because of the large population growth in the area.

Some economic impact would be felt by the shift of the mint's payroll to a center about four miles westward of its present location. The mint payroll for Fiscal Year 1975 is budgeted at \$6.5 million, based on 532 employees. Using current dollars and the employee increase to 800 results in a year 1980 payroll of about \$9.75 million. Assuming that an average of approximately 20 percent of each employee's salary would be deducted for retirement, insurance and Federal and State income taxes, \$7.8 million would be left in spendable income (\$9,750 per employee). Of the present 461 employees, 214 (46.4 percent) reside in the City and County of Denver. With the mint at the Clayton Trust site and 800 employees, it could be expected that as many as 370 employees would reside in Denver. With the mint at the Federal Center, only 123 of the 800 employees are forecasted to live in the city. Thus, Denver might lose as much as \$2.4 million in employee take-home pay. Also, a minor amount of tourists' expenditures for lunches and car service would be shifted away from downtown Denver. The Department of Housing and Urban Development has made the following comments on this matter:

> "If the facility were to be relocated out of Denver, the loss to the city and county of the current \$5 million annual payroll and an increased future payroll

What New Jobs Mean to a Community, Chamber of Commerce of 27 the United States, 1973, Page 10.

Letter, Jefferson County School District Department of Planning 28 and New Construction to Frank W. Rhea, May 16, 1974.

Letter, Department of Housing and Urban Development to Frank W. 29 Rhea, May 3, 1974, Appendix F, Page F-21.

would be significant, as would be the loss of tax base from those employees who would follow their employment out of the city.

"The loss of sales tax revenues and the Occupational Privilege Tax would further weaken the financial position of the city and county of Denver. The city and county of Denver is bearing the financial burder of providing facilities such as the zoo, parks, museums, etc. that are used by the citizens of the entire Metro area. That fact was recognized by the State Legislature in their appropriation of approximately \$11 million to the city and county of Denver. Any Federal action which may be taken to alleviate the inequities in the burdens of financing and maintaining these areawide facilities should receive serious consideration."

Regarding the social impacts of a relocation to the Federal Center site, the Department of Housing and Urban Development has commented as follows:

"As you know, the Department of Housing and Urban Development is primarily concerned with (1) the effects of proposed action on the urban environment and (2) the compatibility of the action with the comprehensive planning for the area. Assessing these considerations, this office believes that several impacts, resulting from relocation of the Denver Mint out of Denver, would run counter to the continued efforts of Federal agencies to stimulate and renew the core city which serves as the sustaining element for the entire Denver Standard Metropolitan Statistical Area (SMSA).

"The relocation of the Denver Mint to the proposed Denver site would permit the present employees to conveniently remain at their current residences with little disruption of their personal activities. The 41 percent of the present employees who are minority have existing ethnic ties within the city which could be maintained. In addition, the core area offers health and social services far superior to those provided in Lakewood, particularly for present and future low and moderate income employees. Included

<sup>30</sup> Letter, Department of Housing and Urban Development to Frank W. Rhea, May 3, 1974, Appendix F, Pages F-17,20-22.

among these services are the private and charity health services of the Denver General Hospital, the most modern and complete facility in the Rocky Mountain area. Also, established offices of city, county and state social service agencies are conveniently located within the core area, as well as such other licensing and regulatory agencies as the State Revenue Department Drivers License Office. The city plans to open branch offices of city and social services in the Five-Points Neighborhood Facility complex.

"We also would like to point out that superior cultural facilities are located in the core area, such as the Botanic Gardens, museums, Denver Zoo, and performing arts facilities. It is also important that the major educational facilities are located in the core area; University of Colorado, Denver Center, Metro State College, Community College, Denver University and Emily Griffith Opportunity School. Metro State, soon to be a part of the Auraria educational complex, has since its inception been geared toward providing education for the underemployed and persons who are unable to attend college full time. Several of the institutions offer night classes and courses to upgrade skills for nondegree as well as degree oriented students. We believe that the convenient location of all of these facilities is important not only to the employees but also to their dependents.

"From the socioeconomic standpoint, a potentially beneficial impact is that of the opportunity for minority entrepreneurship which would be available for service businesses related to Mint employees as well as tourists, in particular, economic opportunities for restaurants, gas stations, etc.

"Relocation of the Denver Mint to either of the proposed sites would be consistent with planning for the subject areas. However, it is the position of this Department that from the standpoint of long term, areawide comprehensive planning and community development goals, the serious impacts which we have elaborated above clearly indicate that the proposed Denver site would be far superior to that of the alternate proposal."

Brief comments to the same general effect were received from the Office of Economic Opportunity. The Mayor of the City and County of Denver presented extensive comments, which stressed the socio-economic aspects of the location of the new mint in relation to the Park Hill area itself and the City as a whole. Likewise, Congresswoman Patricia Schroeder sent comments setting forth these aspects in depth. Greater Park Hill Community, Inc., a civic association, submitted extensive and carefully prepared comments, in which the socio-economic factors were given great weight. Another citizens' group, the League of Women Voters, wrote more briefly to the same effect, as did the Denver Chamber of Commerce, which strongly advocated the use of the Clayton Trust property.

With respect to the proposed location of the new mint at the Federal Center, the Lakewood Chamber of Commerce has commented as follows:

"Our organization feels that the environmental impact statement states quite clearly that location of the U. S. Mint in Lakewood would cause no significant ill-effect on the environment of our community.

"However, causing "no significant ill-effect on the environment of our community" is not reason enough alone to support the selection of Lakewood as the site for the Mint. We believe the relocation of the U. S. Mint to Lakewood would be a great asset to our city. We think the benefits of having the Mint here should be considered by the citizens of Lakewood and governing body of the city.

"Since the incorporation of Lakewood in 1969, many of us have struggled to develop a sense of community identity and community pride. Community pride would combat the apathy we have experienced in local elections and on local issues, and we believe it would help make our city a better place to live.

"We think that being one of only three cities in the United States to have a U. S. Mint located within its boundaries would be good reason for community pride, and could help create a distinct identity for our city."

<sup>31</sup> Letter, Lakewood Chamber of Commerce to Frank W. Rhea, April 15, 1974, Appendix F, Page F-79.

The City Council of the City of Lakewood made the following general comment regarding the Federal Center location:

"NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lakewood, Colorado, that:

SECTION 1. The City Administrator be and is hereby authorized and directed to respond to the aforesaid Draft Revised Environmental Impact Statement relating to the location of the Mint at the proposed Denver Federal Center site by communicating to the Bureau of the Mint and the Department of the Treasury the official position of the City of Lakewood, hereby adopted, that the City favors and endorses the location of the Mint at the Federal Center site; and that the City requests further and additional environmental impact studies of traffic, public transportation and housing, to the end that potential problems which might otherwise arise in such areas by reason of the location of the Mint at the Federal Center site may be addressed and solved as a part of the process of the location of the Mint at such site."

The Federal Center site would not be as convenient for tourists, either by private or public transportation. Also, as this site is rather remote from most of the other tourist attractions in the metropolitan area, it is expected that there would be a significant reduction from the recent average of 245,000 public visitors per year to the mint.

#### 4. Alternatives to the Proposed Action.

#### a. No Construction

The alternative of no construction is not considered practicable. The projected demand for coins dictates that production capacity be increased. The space in the present United States Mint institutions is saturated in fulfilling current production requirements, and it is not feasible to expand the existing facilities.

#### b. General Area Location

Regarding the general city area location for the proposed project, detailed studies by the Treasury Department of various locations

Resolution 74-111, City Council of Lakewood, April 16, 1974, Appendix F, Page F-71.

in the United States have resulted in the conclusion that the Denver area is the optimum location for the new mint for the following reasons:

- (1) Denver is ideal from a nation-wide coin distribution standpoint in conjunction with the other major coin production facility, the Philadelphia Mint.
- (2) Denver is an excellent transportation center, with good rail and trucking facilities available for shipping coins to the West Coast, as well as the Midwest and points East as required.
- (3) The labor market in Denver is advantageous in that there is a good supply of labor at reasonable rates.
- (4) Electricity, gas and water are available at reasonable rates.
- (5) The relocation of operations to a new mint in the same general area as an existing mint can be accomplished in a more orderly manner without substantial loss of production. A move to a distant location would result in substantial losses in production and would be very costly in terms of money and losses of experienced personnel.

#### c. Specific Location Within Denver Area

The specific location for the new mint in the Denver area has been the subject of much investigation and review by the Treasury Department and the General Services Administration for more than two years. A complicating factor in this process is the size of the area (30 acres minimum) required for the new facility. After thorough weighing of the pros and cons of the potential sites, the sites located at the Clayton Trust Property and the Denver Federal Center were selected for further intensive consideration.

Other locations in the Denver area were considered, primarily on the basis of a survey made by the General Services Administration at the request of the Department of the Treasury, but have been eliminated at this time because of undesirable factors in comparison to the two alternate tentatively selected sites. The sites considered and the prime reasons for their elimination are:

(1) South Platte River from about 18th Avenue to Speer Boulevard.

This location was the subject of a previous Environmental Impact Statement, dated February 2, 1973, and had been selected for the new mint. Because of changed circumstances, summarized on page 3 of this Statement, it was subsequently determined to be unsatisfactory.

- (2) (a) Mississippi Avenue at South Huron Street (Navajo Truck Lines area).
  - (b) Bayaud Street at South Pecos Street (Allied Chemical Co. area).

It has been determined that neither of these sites is for sale; major commercial activities are presently using the sites, and neither site has any advantages relative to the two tentatively selected sites.

(3) University Boulevard at Valley High (area south of South High School).

The mint at this location would be out of place with the surrounding residential environment. In addition, the property is owned by the City of Denver and the Denver School Board and has not been offered by the city.

(4) Mississippi Avenue at Broadway (old Samsonite Plant).

The site is too small; there would be considerable expense in relocating existing improvements, and the site would not provide an appropriate environment for the new mint.

(5) York Street between 40th Avenue and 43rd Avenue (Union Pacific Pullman site).

This heavily industrialized area would not provide a distinctive, appropriate environment for the mint.

(6) Denver Union Terminal Site.

On this site, part of the new mint would have to be built over five railroad tracks, a very undesirable situation. In addition, there would be adverse aesthetic features with respect to the frontage provided for the entrance and for tourist flow, and with respect to the many old multistory commercial warehouses in the area, which probably will remain for a considerable period of time.

(7) Nome Street between 37th Avenue and 40th Avenue (Union Pacific Industrial Park).

This site is suitable from an industrial engineering standpoint, but it has disadvantages relative to accessibility for employees and tourists, and in providing a distinctive, aesthetic setting for a new mint.

## (8) Rocky Mountain Arsenal.

Although this location would be suitable from an industrial engineering viewpoint, and the land is already owned by the Federal Government, it has no particular advantages relative to the Federal Center; it is not as well served by existing and planned mass transit systems, and the uncertainties regarding activities at the Arsenal make it prudent to avoid adding to the population base at this installation.

(9) A site in Aurora, north of 26th Avenue and I-70, between Tower Road and Picadilly Road.

This site has many favorable aspects, but it has no particular advantages relative to the two tentatively selected sites. Unfavorable factors are the considerable distance from the mass of housing in the Denver area and the difficulties in accessibility by employees and tourists, particularly by mass transit.

## 5. Probable Adverse Environmental Effects Which Cannot be Avoided.

Adverse and unavoidable environmental impacts of the proposed project for both sites are: (1) the increase in traffic congestion which its operation will bring to the areas, (2) the additions of stationary source and vehicle-generated air pollutants, and (3) the various short-term impacts during the construction period. In addition, some adverse socio-economic effects were presented in earlier portions of this Statement.

The increase in automotive traffic will be caused by the necessary transportation of the 800 employees to the facility, by the daily average of 20 trucks involved in deliveries and shipments and by busses and private cars bringing tourists to the mint. The major portion of the added traffic would be during nonpeak periods as work-shift changes and commercial trucks would be scheduled to avoid these times and tourist traffic would occur between 9 A.M. and 3 P. M. daily.

Additional stationary source and vehicle-generated pollutants would be minor and of about the same quantity and quality for both locations. Both proposed mint sites are in the Denver Air Quality Control Region (AQCR) and are subject to exactly the same air quality standards. Implementation of the State of Colorado Transportation Control Plan will require VMT reductions throughout the ACQR, primarily by means of improved mass transit. This will serve the dual purpose of reducing any vehicle-generated pollutants and of reducing traffic congestion, including the minor fraction attributable to mint traffic.

The major environmental impacts of the construction period would be felt in noise, dust, and in an increase in traffic volume. The

construction contract specifications for the project would include a section on Environmental Protection, which should minimize, although not eliminate entirely, these short-term impacts on the environment.

6. The Relationship Between Local Short-Term Uses of Man's Environment and the Maintenance and Enhancement of Long-Term Productivity.

The proposed action does not involve any trade-offs between short-term environmental gains at the expense of long-term losses, nor vice versa. A new mint on either site will assure that high quality coins in sufficient quantities are produced to meet the needs of the United States. The results achieved by providing modern, clean automated facilities, designed and constructed for effective, efficient coining processes and for provision of a safe and healthful work environment, should produce a beneficial gain for the American people. No long-term degradation of the proposed areas should occur. Generally, the proposed facility should result in an enhancement of either area in conformance with adjacent developments and planned land uses.

7. Any Irreversible and Irretrievable Commitments of Resources That Would Be Involved in the Proposed Action Should It Be Implemented.

For both locations, the proposed action is compatible with other activities, surroundings and planned developments. Also, no historical or archaeological sites or buildings would be affected.

Labor and materials resources required for the construction of the project presumably would be irreversibly committed. Should, for some reason, the facility be no longer required, it would be possible, although at considerable expense, to physically remove the structures, roads, and parking lots, and return the area to an open-space condition. It is more probable, however, that if the facility were not required for making coins, an alternative office/industrial use would be found for it.

8. Other Interests and Considerations of Federal Policies That Are Thought to Offset the Adverse Environmental Effects.

The adverse environmental effects of this proposal, which do not appear to be of a major nature, are considered to be offset by the fact that a new mint is needed to provide the coinage capacity to serve the requirements of the economy of the United States and that the Denver area is an ideal location for such a facility. In addition, Federal policies and programs, particularly in light of growing air pollution and energy use problems, are expected to be continued and accelerated toward the objective of providing mass transit systems and other alternatives to the use of present configuration private automobiles as the primary means of transportation. This should serve to reduce

the traffic congestion and air pollution adverse impacts.

 Problems and Objections Raised by Other Federal, State, and Local Agencies and by Private Organizations and Individuals.

Numerous comments on the Draft Revised Environmental Impact Statement were received. Substantive comments are attached hereto in Appendix F.

The comments received relate primarily to traffic congestion; estimates of additional VMT, air quality and potential air pollution; and economic and social impacts of the proposed project. The discussion of these matters, and others, has been expanded in the appropriate sections of this final statement from that presented in the draft statement, in an attempt to resolve, or present more fully, the issues raised in the various comments.

Table of Documents Referred to in Final Revised Environmental Impact Statement for the Location and Construction of the Proposed New Denver Mint.

The following is a list of the documents referred to in the Statement. As stated on Page 5 of the Statement, these documents are available for consultation by any interested person at the office of the Bureau of the Mint Facilities Project Manager, Denver Mint, 320 West Colfax Avenue, Denver, Colorado 80204.

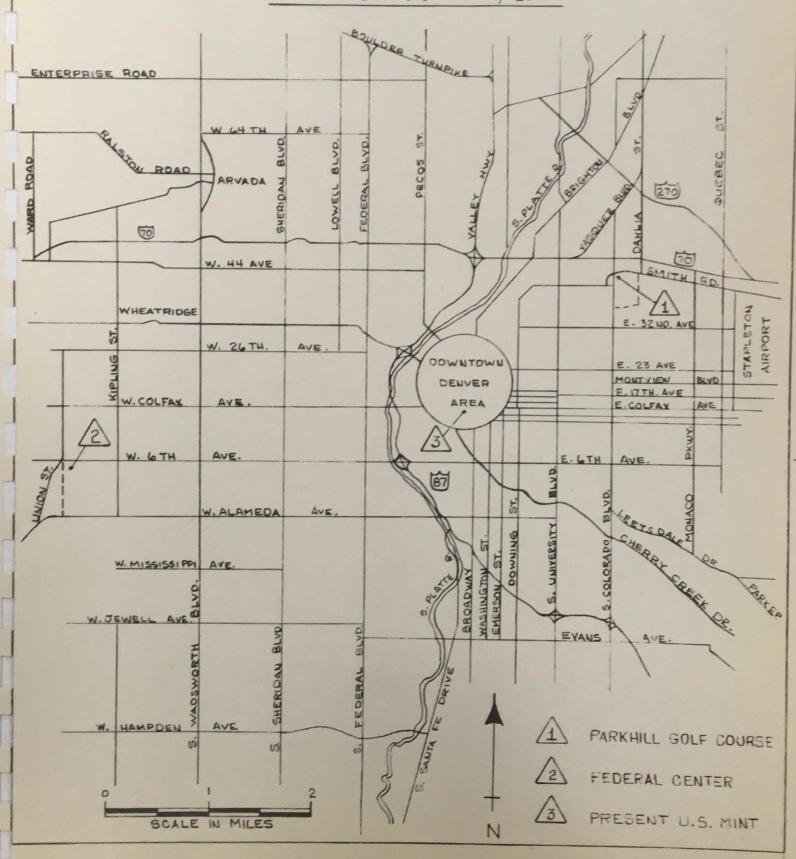
The documents are listed in the order of their mention in the Statement, and each document in the set available for inspection has been numbered with the respective number in the list.

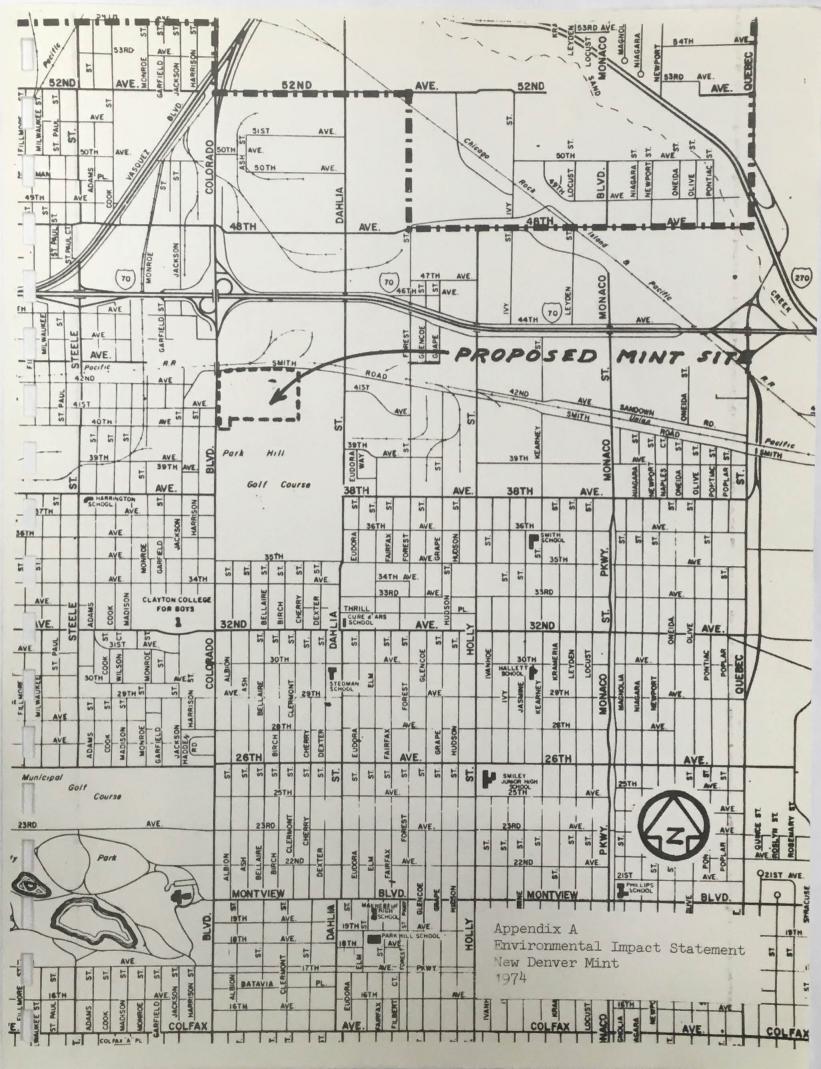
- 1. Letter, Mayor of the City and County of Denver to Frank W. Rhea, February 12, 1974. (Footnote 1)
- 2. A Public Transportation Plan for Colorado's Regional Transportation District, Summary Report, March 1973. (Footnote 2)
- 3. Letter, Regional Transportation District to Frank W. Rhea, April 24, 1974. (Footnotes 3, 13 and 16)
- 4. Regional Land Use, Highway and Public Transportation Plans, Denver Region, Regional Council of Governments, Summary Report, October 1973. (Footnotes 4 and 9)
- Denver 1985, A Comprehensive Plan for Community Excellence, Denver Planning Office, January 1971. (Footnote 5)
- 6. Resolution No. 6, Series of 1974. Introduced by the entire Council. A resolution urging Mint Director Mary Brooks to keep the Mint within the City and County of Denver. (Footnote 6)
- 7. Letter, State Historical Society to Frank W. Rhea, April 3, 1974. (Footnotes 7 and 11)
- 8. Letter, State Historical Society to Frank W. Rhea, April 18, 1974. (Footnotes 8 and 11)
- 9. CONCEPT:LAKEWOOD, November 1973. A Comprehensive Plan for the City of Lakewood. Final Draft for community consideration. Not adopted as of date of this Statement. (Footnote 10)
- 10. Letter, Colorado State Department of Highways to the Treasury Department, February 11, 1974. (Footnotes 12 and 15)
- 11. Results of the 1971 Joint Regional Planning Program origin and destination study suggest the average work trip length for the Denver region was about seven miles. Letter, Denver Regional Council of Governments to Frank W. Rhea, April 24, 1974. (Footnote 14)

- 12. Letter, General Services Administration to Frank W. Rhea, April 24, 1974. (Footnote 17 and 18)
- 13. Letter, Colorado Department of Health to Frank W. Rhea, April 18, 1974. (Footnote 19 and 22)
- 14. Colorado State Health Department Document on Denver Air Quality Control Region Air Quality Measurements, December 18, 1973. (Footnotes 20 and 21)
- 15. Letter, Environmental Protection Agency to Frank W. Rhea, May 6, 1974. (Footnote 23)
- 16. Transportation Control Strategy Development for the Denver Metropolitan Area, December 1972, prepared by TRW Transportation and Environmental Operations for the Environmental Protection Agency. (Footnote 24)
- 17. Letter, Public Service Company of Colorado to Frank W. Rhea, February 11, 1974. (Footnote 25)
- 18. Letter, Department of Housing and Urban Development to Frank W. Rhea, May 3, 1974. (Footnote 26, 29 and 36)
- 19. What New Jobs Mean to a Community, Chamber of Commerce of the United States, 1973. (Footnote 27)
- 20. Letter, Jefferson County School District Department of Planning and New Construction to Frank W. Rhea, May 16, 1974. (Footnote 28)
- 21. Letter, Lakewood Chamber of Commerce to Frank W. Rhea, April 15, 1974. (Footnote 31)
- 22. Resolution 74-111, City Council of Lakewood, April 16, 1974. (Footnote 32)

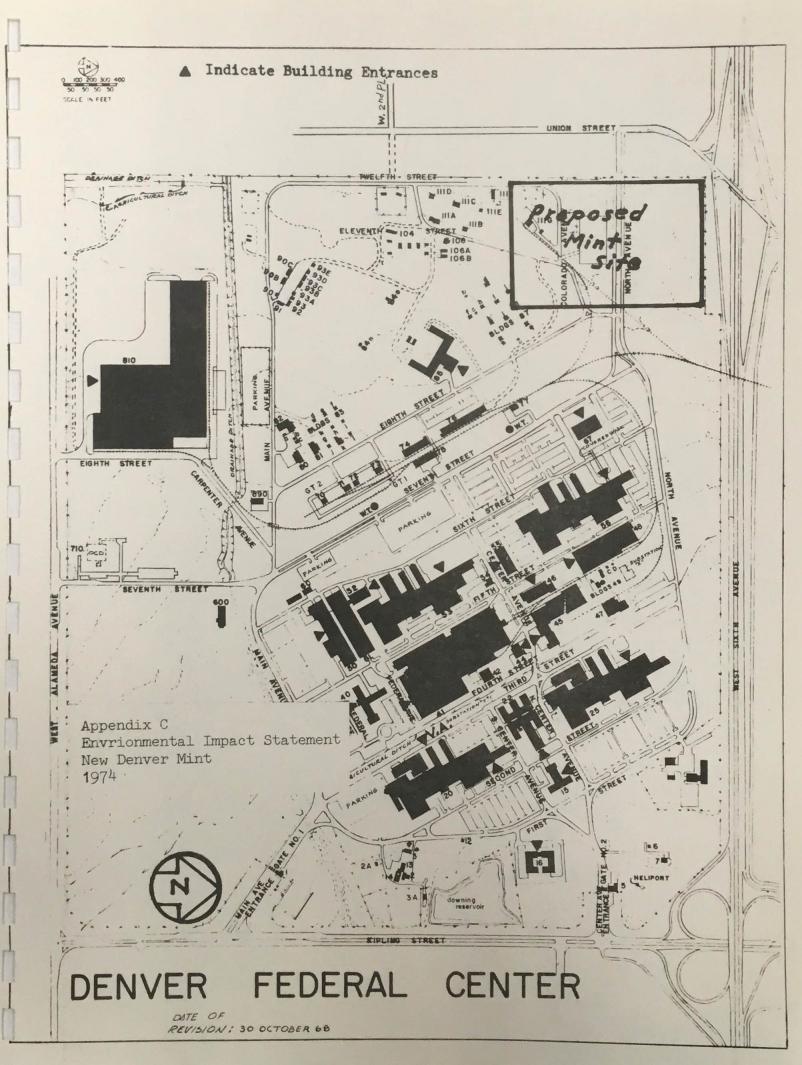
# APPENDIX A-1 GENERAL LOCATION MAP ENVIRONMENTAL IMPACT STATEMENT

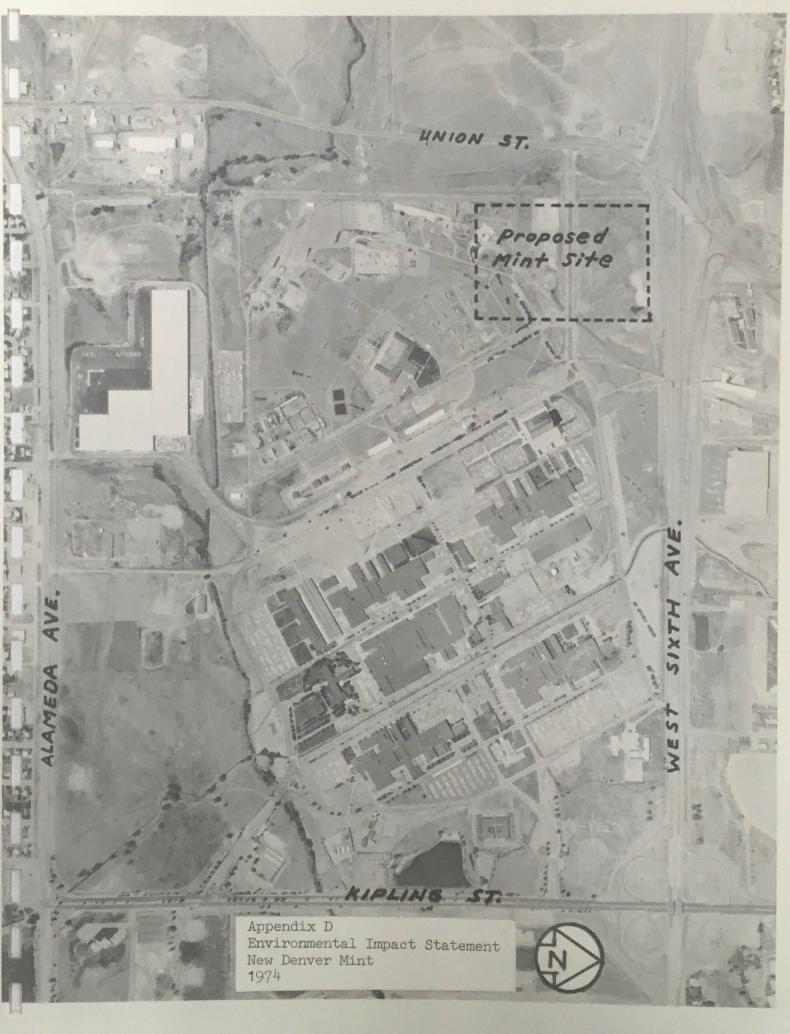
UNITED STATES MINT, 1974











# UNITED STATES MINT DENVER, COLORADO

## CLASSIFICATION AND WAGE SCALE OF EMPLOYEES

December 31, 1973

#### No. of Employees

Annual Salaries	General Schedule (White Collar)	Wage Board	
Under \$7,000	None	None	None
\$7,000 to \$9,000	23	34	57
\$9,000 to \$12,000	42	278	320
Over \$12,000	42	42	84
		-	
	107	354	461
Average Annual Wage H	Board Salary	- \$ 10,324	
Average Annual General Schedule Salary		- 12,841	
Average Annual Mint E	Employee Salary	- 10,839	

# APPENDIX F (Pages F-1 through F-97)

Attached hereto are copies of all substantive comments received on the Draft Revised Environmental Impact Statement for the proposed new Denver Mint. These comments are arranged in the same order as listed in paragraph 5 of the Summary Sheet for this Final Revised Environmental Impact Statement.

POST OFFICE AND CIVIL SERVICE COMMITTEE

DESTRICT OFFICE:
DESVER FEDERAL BUILDING
1961 STOUT STREET
DENVER, COLORADO 80202
(505) 837-2354

WASHINGTON OFFICE: 1313 Long WORTH HOUSE OFFICE BUILDING WASHINGTON, D.C. 20515 (202) 225-4431

CC:

## Congress of the United States House of Representatives

Washington, D.C. 20515

April 24, 1974

Mr. Frank Rhea Facilities Project Manager Denver Mint 320 West Colfax Avenue Denver, CO 80204

Dear Mr. Rhea:

After submitting my comments regarding the Draft Environmental Impact Statement on the proposed Mint sites, I became aware of the statement of the Colorado Department of Health. I would like to take issue with a portion of that report.

In the third and fourth paragraphs of the Department of Health's comments, it is implied that relocating the Mint in Northeast Denver will cause additional vehicle miles traveled (VMT) within the Department's control area. For example, the last sentence in paragraph four reads, "... no new source of generated VMT could be tolerated within the area without a corresponding reduction of VMT from another source, ... " The Department's study did not take into consideration the closing of the Mint in downtown Denver. My Denver office verified this with Mr. Lane Kirkpatrick. Since both the present Mint site and the Northeast Denver site fall within the control area (which includes all of downtown) there would be a corresponding reduction of VMT within the area.

Also it should be pointed out that there will be an additional reduction of VMT in Northeast Denver with the closing of the Air Force Accounting and Finance Center. This should ease congestion in that immediate area.

Finally, I believe we should make every attempt to solve our pollution problems, but to do so at the expense of jobs is a harsh solution. The burden falls heavily on a small portion of the people. I believe it would be a mistake to do away with industry within the control area to cut down VMT. With proper planning and an all out effort at mass transit, we can keep the city of Denver and particularly the downtown section healthy and prosperous.

I again urge that the Mint be located at the Park Hill site.

Singerely,

Patright schrooder de

Member of Congress

THIS STATIONERY PRINTED ON PAPER MADE WITH RECYCLED FIBERS Mary Brooks, Director

PATRICIA SCHROEDER
FIRST DISTRICT, DENVER, COLORADO

DISTRICT OFFICE:
DENVER FEDERAL BUILDING
1961 STOUT STREET
DENVER, COLORADO 80202
(303) 837-2354

WASHINGTON OFFICE:
1313 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20518
(202) 225-4431

# Congress of the United States

House of Representatives

Washington, P.C. 20515

April 22, 1974

Mr. Frank Rhea Facilities Project Mananger United States Mint 320 West Colfax Avenue Denver, CO 80204

> Re: Draft Revised Environmental Impact Statement of February 27 for the New Denver Mint - Comments by Rep. Pat Schroeder

Dear Mr. Rhea:

The Environmental Impact Statement is a superficial analysis of the proposed Federal Center and Park Hill sites. Although purporting to be neutral, its conclusions place the Park Hill site at a disadvantage because of alleged pollution and congestion. These conclusions as to pollution and congestion are without hard back-up data, and the advantages of having three major tourist attractions in the same general area are overlooked. The Statement also fails to discuss at all governmental objectives with respect to core city rehabilitation, unemployment rates and economic conditions in the areas near both sites.

#### I. THE ECONOMY OF THE PARK HILL AREA

The Northeast Denver area and the area immediately to the west of the Park Hill Golf Course are older areas of Denver. A high percentage of the population is low to moderate income minority and the unemployment rate is high. Evidence of the economic stagnation in the area is the almost complete closing down of two shopping centers, the Holly Street Shopping Center and the Dahlia Shopping Center. In addition, the Gem Discount Store has left the area. The Mint, with the accompanying service industries, restaurants, etc., referred to in the Impact Statement would have a substantial beneficial effect on reversing this trend.

#### II. JOBS IN THE NORTHEAST DENVER AREA

Park Hill is losing one of the larger federal installations

Mr. Frank Rhea Page Two April 22, 1974

in the metropolitan area, the United States Air Force Finance Center. While that Center is not leaving the metropolitan area, it is moving further from the Northeast Denver area and the impact of that move upon Park Hill will be substantial. Northeast Denver has few large industries which provide jobs at various economic levels. The new industries which have come to the metropolitan area have located either in suburbs of Denver or at some distance from Denver. The IBM plant, for instance, is north of Boulder; the Martin-Marietta plant is south of Littleton; the Gates plant is moving from Denver proper to Arapahoe County, south of Littleton; Johns-Manville has moved to Greenwood Plaza in Greenwood Village which is in Arapahoe County. Other instances can be named. Placing the Mint at the Park Hill site would provide permanent jobs for residents of the area and would make it easier for the construction contractor to comply with all affirmative action programs required by his contractor.

#### III. CORE AREA STABILIZATION

One of the patterns which the federal government as well as other governments has been trying to reverse is the movement away from the core area city. On page 17, the Statement discusses the change in employment residential patterns and indicates that the effect in Denver would be slight with some movement away from the immediate downtown area to the northeast. Two miles to the northeast from the immediate site of the present Mint would still be in the core area of Denver.

On page 18, the Statement points out that movement of the Mint to the Federal Center would result in a substantial movement away from the core city. In addition, it is pointed out that vacant housing, particularly in the low and moderate income ranges, is in short supply in Lakewood near the Federal Center and that some Mint employees might have difficulty obtaining housing in immediate proximity to the site. Low and moderate income housing is available in the northeast Denver area and the movement of Mint employees into the area would help to stabilize the population.

#### IV. EFFECT ON SCHOOLS

The areas which are closest to the Mint site in Northeast Denver contain segregated schools, and the Denver Public School system is under federal court order to desegregate Mr. Frank Rhea Page Three April 22, 1974

them. We believe that the location of the Mint within the Park Hill site would have a substantial beneficial effect of bringing into the area a number of medium income black and white families, which would help to naturally integrate the area schools, both economically and racially.

In addition, the school systems in northeast Denver are under capacity while the Lakewood system is continually expanding to take in new residents. The Impact Statement indicates that the additional Mint residents in Denver would add about 150 pupils to the school system, which would add to the congestion in the Lakewood schools. The Denver area schools can absorb this increased number of pupils without expansion.

#### V. AIR POLLUTION

The increase in the number of cars travelling to the Park Hill mint site would not be as substantial asn increase over the present traffic as would be the increase in traffic to the Federal Center site. The statement admits that fewer additional employee VMT's would result from location of the Mint in Northeast Denver. Not only would there be fewer additional employee VMT's but there would be fewer additional tourist VMT's. Three of the sites visited most in the Denver metropolitan area by the tourist are the Museum of Natural History, the Zoo and the Mint. The Museum of Natural History, and the Denver Zoo both are located just off Colorado Boulevard only a few blocks south of the Park Hill Mint site. Therefore, to have the Mint in the Park Hill site would not only lessen the increase in VMT's by employees of the Mint but could reduce the VMT's of the Denver area tourist and perhaps would contribute to a net reduction in the air pollution in the Denver metropolitan area rather than an increase as is implied in the Impact Statement.

The Statement uses as its source for air pollution data the measuring station at the school administration building. That site is not representative of the Park Hill site. The school administration building is several miles from the Park Hill site, it is close to the downtown financial and shopping district of Denver, it is close to Interstate Highway 25 which is a main north-south highway through downtown

Mr. Frank Rhea Page Four April 22, 1974

Denver, and it is close to the South Platte River and Cherry Creek along which air pollution tends to settle and move.

The data included in the Statement is a statistical analysis of suspended particulates which come from stationary sources, and, (page 12) indicates the amount of additional stationary source pollutions generated at either site would be negligible. However, the Statement confuses the reader by using the measurements of suspended particulates, which are generated only by stationary sources, in the context of the discussion of the goals of reduction the auto caused air pollution. It should be made clear that additional VMT's in the Northeast Denver area will have no known effect on the amount of suspended particulates in that area, and that the quoted data with respect to suspended particulates has no relevance to the quoted goals of the state of Colorado and the EPA of attaining air quality standards with respect to Hydrocarbons by 1977 (see page 15).

While the Statement refers to several sources of information in previous portions thereof, the last paragraph of page 15 fails to cite source material. This is because there has been insufficient monitoring to support it and there is no source material which could be cited therefor. Admittedly, the worst pollution levels are in the Central Business District of Denver proper along the South Platte River, but the Park Hill site is not in the Central Business District and is not along the South Platte River.

In the last sentence of the paragraph referred to above, the statement is made that "during periods of highest pollution levels, . . . pollutants from the Park Hill vicinity would tend to reinforce these high concentrations to a small degree." The Mint will be operated 24 hours per day, with shift changes adjusted to avoid periods of high traffic and high pollution. According to the meterological data cited, any pollutants from the Park Hill site would be blown away from the South Platte River Valley site at the time of two of the three shift changes (see page 19) and during most of the operating time of the Mint.

Admittedly, there are a high number of automobiles using I-70 and Colorado Boulevard. However, they are the

Mr. Frank Rhea Page Five April 22, 1974

only carriers of a high volume of autos in the Northeast Denver area. There are four streets and highways immediately adjacent to the Mint site at the Federal Center, and I-70, West Colfax Avenue and other major east-west and north-south routes which contain a high vehicle count also are located in close proximity to the Federal Center. While any one of those streets may not carry the traffic that I-70 and Colorado Boulevard do, the total traffic is substantially more.

In addition, while there is little reason for substantial increase in the amount of traffic using Colorado Boulevard adjacent to the site, there is substantial reason for increase in automobile traffic along the streets and highways near the Federal Center as the west suburban population increases.

For some reason, the measurement of traffic on 6th Avenue is taken west of Kipling. Yet the Statement indicates that most of the employees at the Federal Center will reside east of Kipling between Kipling and Denver. No measurements are provided of automobiles along 6th Avenue leading toward Denver. The measurement of that area would show a substantial number of automobiles over and above the count shown west of Kipling. On parts of 6th Avenue, such a count probably would be higher than the count of cars on I-70 at the intersection of Colorado Boulevard.

On page 10 of the Statement, the statement is made that the additional traffic generated by the Mint would tend to coincide with the direction of existing traffic and would add to existing congested conditions on Colorado Boulevard and on I-70. There is no authority cited for this statement. Since neither site is in the Central Business District, it would appear that the Mint employee traffic from either site would be counter-directional to the mass of rush hour movement, which is city-center oriented in the morning and outbound oriented in the afternoon.

On page 10 the Statement points out that the site in Park Hill is served by Denver Metro Transit buses and that the Personalized Rapid Transit System will be providing a line which will be, at its closest point, approximately two miles from the Mint. While the statement emphasizes that employees and visitors would have to transfer to buses from the PRT system in order to get to the Mint from the

Mr. Frank Rhea Page Six April 22, 1974

downtown area, a similar situation at the Federal Center site is ignored. Presently there is no bus line serving the Federal Center Mint site.

While the probabilities are that public transportation to each site will be improved and the usage by the employees of the Mint increased, the Statement indicates employees will live further from the Federal Center site than from the Park Hill site. This would tend to dictate against as much usage of the public systems by the Mint employees if the Mint is located at the Federal Center as compared with its location in Northeast Denver, and thus the net amount of addition VMT's attributable to the Federal Center site will probably be greater than the Statement admits.

#### VI. CONCLUSION

On page 19 and 20 of the Statement, conclusary remarks with respect to the Park Hill and Federal Center sites indicate that both are excellent. It is interesting to note that in describing the access to the sites the remarks indicate that the Park Hill site "would have good access for tourists and official visitors and would involve minimum economic and social impact on the Denver area." With respect to the Federal Center site, it is stated that "the site would have fair access for tourists and official visitors." There is no statement with respect to the economic and social impact on the Federal Center area.

The access by tourists and visitors is deemed to be less favorable at the Federal Center than at the Park Hill site while the economic and social impact on the Federal Center area apparently is deemed to be more than minimal. Part of the reason for the difference in the rating of the access is the distance of the Federal Center from Stapleton Airport as compared with the close proximity of the Park Hill site to Stapleton Airport and the status of public bus systems in the areas. Obviously, the difference in the impact upon the areas is wrapped up in those reasons discussed above, the impact on schools, and the lack of low and moderate income housing in Lakewood.

In summary, the net adverse impact environmentally

Mr. Frank Rhea Page Seven April 22, 1974

will not be as great in the Northeast Denver area as the Evironmental Impact Statement would lead one to believe. The Statement is slanted toward the Federal Center site in that automobile traffic, public transportation, and congestion comparisons are inaccurate or at least misleading. It is obvious that the possible reduction of pollution by virtue of having three major tourist attractions in the same area has been overlooked. Also overlooked was the economic impact of the Mint upon Northeast Denver which will have a substantial beneficial effect upon the environment of the area by tending to stabilize its population and its schools.

Conversely the adverse impact upon the Lakewood area has been minimized by the Impact Statement. The Lakewood area does not have the needed housing nor adequate school facilities to take care of the increased population. The increase in cost to the City of Lakewood in providing adequate services for the increased population is unnecessary and wasteful when the Denver schools are ready, willing and able to accommodate the increased school population and the services necessary to provide for the increased population are already installed.

With kind regards.

Sincerely,

Patricia Schroeder Member of Congress

PS:r



### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION VIII

1860 LINCOLN STREET

DENVER, COLORADO 80203

MAY 6 1974

Mr. Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

The Region VIII Office of the Environmental Protection Agency has reviewed the draft environmental impact statement for the construction of the new United States Mint.

In general, the statement adequately addresses the alternatives and impacts of the proposed project. We would like to offer comments on several issues involved with determining the environmental impacts of this project.

#### A. Air Quality Impacts and the Denver Transportation Control Plan

EPA's principal concern with vehicle-miles per day traffic (VMT) and on-site emissions with either of the proposed Mint site alternatives involves how such a decision at one or another site will affect the attainment of air quality standards as proposed in the transportation control plan (TCP) for the Denver Air Quality Control Region.

The TCP does call for a reduction of VMT in the Denver area in order to meet these standards. How these reductions are to be applied to a specific case such as the Mint has not been fully examined. While incremental VMT increases might in some cases be permitted, EPA would expect that such increases be offset by mitigating measures such as improved traffic flows, increases mass transit use, etc. It is thus important to develop some estimate of the overall impact on air quality for each site with and without the initiation of such mitigation measures.

The techniques used in analysis of VMT increases in the environmental impact statement are reasonable for assessing impacts on air quality in the light of the current state of the art. We do feel that a number of other factors should be considered in assessing air quality impacts at one or both sites.

- 1. The EIS calculates net increases in VMT at both sites from Mint commute traffic. The analysis should be expanded to include the impact of visitor traffic to the Mint as well.
- 2. Because traffic to the Denver Federal Center site would be counter flow to the peak morning and evening rush hour traffic, a net increase in traffic speed could be possible. Whether an actual decrease in emissions would occur could only be determined by a computer simulation of the changes in the entire metropolitan highway system.
- 3. Most of the emissions from this Mint-related VMT will occur outside of the immediate site areas, whichever is chosen.
- 4. The specific site locations at the Federal Center or the Park Hill site might result in changes to and from the present transportation modes, including bus transit, bicycle or pedestrian modes. These changes could add to or subtract from the projected VMT values in the EIS. The effect of improved mass transit could also result in transportation mode shifts.
- 5. Some residential relocation is projected in the EIS for each of the sites. These moves would also affect the VMT emissions. The differential housing markets in Lakewood and Denver as mentioned in the EIS might help or hinder such relocations.

An exhaustive analysis of the ultimate air quality impacts occurring from either site would involve complex modeling and estimates of decisions about housing relocation and transportation use that may or may not occur. EPA feels that at this point, the relative merits of one site versus another from an air quality standpoint are unclear. There are further complications involved in determining where the VMT reductions should occur that make it difficult to single out one or another site.

If carbon monoxide is the air pollution parameter of concern, then reducing VMT in the downtown area, even with some increase in the outlying urban areas, could result in a decrease in the maximum observed concentrations. This would be a beneficial transportation technique for meeting air quality standards.

However, recent evidence indicates that control of <u>oxidants</u> may be more critical for the Denver area. Recent sampling data suggests that oxidants may be dispersed relatively uniformly over the Denver metropolitan area. If this is the case, a control of overall VMT

related emissions becomes more important than spatial distribution of these emissions.

The state of the art for predicting air quality impacts is not well-enough defined at this point in time, to be able to set hard and fast rules about how VMT sources are to be controlled. Diffusion models for oxidants have only been recently developed and tested. EPA will continue to press for better predictive techniques and will recommend predictive procedures when better techniques become available.

It should be remembered that the transportation control plan is a continuing process. Better predictive techniques, annual air quality sampling information and assessments of how well the technological improvement to automobiles (retro-fit devices, high altitude modification, etc.) are working, will vary likely result in changes in strategy of how the air quality goals are to be met.

It should also be emphasized, however, that VMT reductions may continue to be required in the Denver area to meet standards. In this situation, the Denver mint traffic would be expected to bear a proportionate share of the decrease in VMT.

The value of this NEPA review is to anticipate such a situation of VMT reduction requirements, to avoid unnecessary VMT increases if possible, and to explore possible mitigating measures that would allow a VMT decrease.

The EIS has suggested to its credit a number of possible TCP alternatives to the present VMT projection, namely increased mass transit and staggered working hours. EPA feels that the mass transit alternative in particular needs close attention. The Treasury Department should attempt to assess what the effect on current transportation modes-walking, bicycling mass transit, etc will be at each of the two sites, perhaps by an employee survey. The questions asked should also include how many employees could utilize available or improved mass transit as well as those who would do so at present. The Treasury Department in turn should work closely with the Regional Transportation District to provide for the best available mass transportation. The final EIS should indicate what mass transportation will be available when the new Mint begins operation at either site. In particular, this assessment should focus on the likelihood of such mass transportation at each site.

The EIS should also estimate what reduction in peak from VMT could be expected if staggered work hours were to be introduced at the Mint.

The final EIS should also factor visitor traffic into its VMT calculations, for the analysis they have developed.

#### B. AQCR Demonstration Areas

The statement on page 15 that certain reductions of emissions are required in the "demonstration areas" is not strictly correct; the reductions are required throughout the Denver Air Quality Control Region (AQCR).

The demonstration area was only utilized as a tool to determine amounts of reduction in emissions necessary throughout the AQCR. As such it has no legal standing. Both Mint sites are inside the AQCR and are subject to exactly the same air quality standards.

#### C. Water Quality

No quantitative information was available in the EIS on projected water uses at the new Mint. The EIS mentions that no discharge will occur from the cooling processes, but we take this to mean no discharge to a waterway. Certainly recycled cooling water will have to be diluted with make-up water, and salt concentration will have to be limited by periodic flushing of cooling water into the sanitary sewer system.

The EIS should address the amounts of water to be used, pollution treatment, and expected amounts of discharge from all operations to the sanitary system. Existing collection sewer facilities should be checked at their respective sites, to insure that there is adequate capacity to handle the projected flows.

Further, an estimate should be made of the amounts of all waterborne pollutants to be discharged from the Mint to the sewage facility. This is important to insure that incompatible pollutants are kept from reaching the biological treatment processes.

In view of the comments you have received concerning air quality from the Colorado Department of Health, we would be receptive to discussing the air quality issue with you and the State at any time.

I hope that these comments will aid in the preparation of the final EIS. According to the category system developed by EPA for evaluating environmental impact statements, we have rated this project LO-2. We feel that additional information should be included in the final EIS. A copy of our rating system is included for your information.

Please send us a copy of the final statement.

Sincerely yours

#### UNITED STATES DEPARTMENT OF AGRICULTURE

SOIL CONSERVATION SERVICE

P. O. Box 17107, Denver, Colorado 80217

April 22, 1974

Mr. Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

The revised draft environmental impact statement for construction of New United States Mint, dated February 27, 1974, that was addressed to the Coordinator of Environmental Quality Activities, U. S. Department of Agriculture, was referred to the Soil Conservation Service for review and comment.

- 1. Page 7: The latest "Denver 1985, A Comprehensive Plan for Community Excellence" on page 125 shows the Park Hill Golf Course site as "Proposed Parks". Is there a later publication of this document available to the public?
- 2. Pages 5, 6, and 17: Statements are made that water, electricity, sewage and other utilities are nearby. Are these utilities adequate for the additional capacities that will be required for the new mint?
- 3. Are there any other projects which will have an effect on this proposal? As an example, Federal Highway Administration, Colorado Division of Highways Project No. M5323(001), extension of South Kipling Street from West Alameda Avenue to U.S. 285.

We appreciate the opportunity to review and comment on this proposed project.

Sincerely,

M. D. Burdick Con, Cloting

State Conservationist

cc: Council on Environmental Quality (5 copies)
K. E. Grant, Administrator, SCS (1 copy)
Coordinator of Environmental Quality Activities (1 copy)





#### DEPARTMENT OF THE ARMY

OMAHA DISTRICT, CORPS OF ENGINEERS 6014 U.S. POST OFFICE AND COURT HOUSE OMAHA, NEBRASKA 68102

MROPD

13 March 1974

Mr. Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

This responds to your letter of 6 March 1974 in which you requested our review of the Draft EIS for the proposed New Denver Mint.

We have reviewed the draft and find that neither site is situated in a flood plain. The proposed project will not have any impact upon any of the Corps of Engineers existing projects or current studies.

Sincerely yours,

C. F. THOMAS

Chief, Planning Division

### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

# Memorandum

Denver, Colorado 80202

ro

Frank W. Rhea, Facilities Project Manager Bureau of the Mint, Denver, Colorado

DATE: April 1, 1974

FROM

Joseph W. Cover, REO, Region VIII

KILLE TO

SUBJECT

Draft EIS - Construction of New United States Mint, Denver, Colorado

The Draft Environmental Impact Statement on the proposed construction of the new United States Mint, Denver, Colorado, has been reviewed during March.

All comments received from HEW reviewers indicate that the information contained in the Draft EIS is factual, and the environmental impact stemming from the proposed action projects significant impact on the human environment.

Alternatives are well defined, as are the proposed safeguards to minimize environmental impact for either site.

This office is satisfied with the information contained in the Draft EIS and concludes that the Draft EIS, in this instance, has served its intended purpose.

Joseph W. Cover

cc: Office of Environmental Affairs

Att: Phyllis Hayes

Council on Environmental Quality

Att: Warren Muir



# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FEDERAL BUILDING, 19TH. AND STOUT STREETS DENVER, COLORADO 80202

May 3, 1974

REGION VIII

IN REPLY REFER TO:

8D/M

Mr. Frank W. Rhea
Facilities Project Manager
Bureau of the Mint
Department of the Treasury
Denver, Colorado 80202

Dear Mr. Rhea:

This is in response to your letter dated March 6, 1974, which requested our comments on the Revised Draft Environmental Impact Statement for relocation of the Denver Mint.

As you know, the Department of Housing and Urban Development is primarily concerned with (1) the effects of a proposed action on the urban environment and (2) the compatibility of the action with the comprehensive planning for the area. Assessing these considerations, this office believes that several impacts, resulting from relocation of the Denver Mint out of Denver, would run counter to the continued efforts of Federal agencies to stimulate and renew the core city which serves as the sustaining element for the entire Denver Standard Metropolitan Statistical Area (SMSA).

HUD has invested approximately \$80 million for Community Development with the goal of arresting blight, stabilizing neighborhoods and providing a decent living environment within the city and county of Denver. We are most concerned that other Federal agencies take actions which protect and enhance this substantial investment.

Illustrative of the magnitude of HUD's investment are several projects located in close proximity to the Park Hill site (i.e., within the two-five mile commuting area referred to on pages 9 and 10 of the statement).

The projects are summarized as follows:

### Whittier Urban Renewal

In the 29 block Whittier Urban Renewal Project in Northeast Denver, HUD spent \$2.9 million. An additional \$1.9 in public improvements was financed by the city of Denver and Denver Urban Renewal Authority.

Residents of the area spent almost \$1 million for home improvements for some 658 units of housing and 67 units of Federal Housing Administration (FHA) 221(d)3 rent supplement were created.

### Mitchell |

The Mitchell Urban Renewal Project, bounded generally by portions of East 29th and East 28th Avenue, Lafayette Street, 32nd Avenue and High Street is immediately northeast of the Whittier Urban Renewal Project. The Mitchell Project, covering 19-1/2 blocks is, likewise, a neighborhood rehabilitation program with some clearance and housing redevelopment. HUD financing amounts to \$5.4 million and some 335 homes are being rehabilitated.

### Russell Park

The Russell Park Project, located between 31st and 25th Avenue, Humboldt and York, is a residential rehabilitation program covering 25-1/2 blocks. There are 327 homes scheduled for improvement with a \$1.3 million loan pool for below-market interest rate loans made available through cooperation of five major banks in Denver, The HUD share of the project is \$3,906,656.

### Eastside

Eastside Neighborhood Development Program area, bounded by East 20th Avenue, Washington Street and Glenarm, will be redeveloped with nearly 450 units of low and moderate income housing. HUD has provided \$6 million to carry out this residential redevelopment activity. Regional transportation district plans call for a rapid transit line not far from the south border of the project, giving residents in the project access to public transportation to all parts of the Denver area.

### Blake Street

Not all HUD assistance in northeast Denver has been for residential purposes. The Blake Street Project, located between 33rd Street and 40th Street on Denver's near north side, provided for removal of severely blighted residential structures for industrial and commercial redevelopment. Total HUD financing was \$1.7 million.

### Other Significant HUD Projects affecting Northeast Denver

Money allocated to Denver as a result of HUD Model Cities supplemental funds and funds appropriated through state, city, Federal, and

private sources in the four years, 1970 - 1974, are as follows:

HUD	\$ 24,564,00	0
State of Colorado	633,00	0
City of Denver	12,132,00	0
Other Federal	80,411,00	0
Private	1,123,00	0
TOTAL	\$ 118,863,00	0

(Source: Urban Resources Development Agency Annual Report, 1973)

Recently completed was the Federally-assisted code enforcement, FACE program, to which HUD committed \$7,187,625. Rehabilitation loans and grants through December 31, 1973, totaled an additional \$4,466,348.

The city and county of Denver has received substantial funds for planning efforts under the Section 701 Comprehensive Planning Program and the Community Renewal Program. The recently completed Community Renewal Program (CRP) received funding of \$1 million and the current 701 annual allocation is \$256,000. In addition, HUD's existing community development financing in Denver, not limited to the Northeast area, is sizeable:

Eastside, College View NDP \$	6,654,000
Mitchell UR	5,390,608
Skyline UR	33,002,887
Auraria UR	15,672,065
Russell Park UR	3,906,661
Five Points Neighborhood	
Facility	500,000
Westwood Neighborhood Facility	300,000
Water/Sewer	090,000
Open Space	1,145,000
TOTAL \$	67,480,221

The city's contribution to community development has been from 33-1/3 percent to 50 percent to match the above grants. These, of course, will not include millions of dollars in private investment; for example, \$140 million in the Skyline Project as of April 1, 1974.

All of these programs have been aimed at improving the integrity and cohesiveness of Denver's Neighborhood and commercial areas, as well as encouraging other private and public financing to this end. Essential to the maintenance of these efforts is a supportive economic base offering employment opportunities to the residents of the city, as well as providing much-needed revenue to the city of Denver via property and sales taxes.

### Employment

The core city provides a ready source of prospective employees for the facility expansion. According to the Denver Community Renewal Program publication of December 1972, the Northeast Park Hill area, itself, represents one of the largest employment sources in the city. The neighborhoods of highest unemployment concentration lie "in a concentric ring around the Central Business District (CBD) with extensions to the north, east and south." Most of these neighborhoods are situated immediately west of Colorado Boulevard between the proposed site and the CBD. This same area is burdened by an unemployment percentage ranging between 2.1 and 4.7, in excess of the city norm of 1.8 percent.

The increased job opportunities which would be provided by expansion of the Mint may help to alleviate unemployment of this area. The limited accessibility of the facility, if moved to Lakewood, would create an additional obstacle to employment of core residents and might well add to unemployment in the core by reducing job opportunities and leaving the present minority employees behind.

## Social, Cultural and Educational Considerations

The relocation of the Denver Mint to the proposed Denver site would permit the present employees to conveniently remain at their current residences with little disruption of their personal activities. 41 percent of the present employees who are minority have existing ethnic ties within the city which could be maintained. In addition, the core area offers health and social services far superior to those provided in Lakewood, particularly for present and future low and moderate income employees. Included among these services are the private and charity health services of the Denver General Hospital, the most modern and complete facility in the Rocky Mountain area. Also, established offices of city, county and state social service agencies are conveniently located within the core area, as well as such other licensing and regulatory agencies as the State Revenue Department Drivers License Office. The city plans to open branch offices of city and social services in the Five-Points Neighborhood Facility complex.

We also would like to point out that superior cultural facilities are located in the core area, such as the Botanic Gardens, museums, Denver Zoo, and performing arts facilities. It is also important that the major educational facilities are located in the core area; University of Colorado, Denver Center, Metro State College, Community College, Denver University, and Emily Griffith Opportunity School.

Metro State, soon to be a part of the Auraria educational complex, has since its inception been geared toward providing education for the under-employed and persons who are unable to attend college full time. Several of the institutions offer night classes and courses to upgrade skills for nondegree as well as degree oriented students. We believe that the convenient location of all of these facilities is important not only to the employees but also to their dependents.

From the socioeconomic standpoint, a potentially beneficial impact is that of the opportunity for minority entrepreneurship which would be available for service businesses related to Mint employees as well as tourists, in particular, economic opportunities for restaurants, gas stations, etc.

### Economic Impact

If the facility were to be relocated out of Denver, the loss to the city and county of the current \$5 million annual payroll and an increased future payroll would be significant, as would be the loss of tax base from those employees who would follow their employment out of the city.

The loss of sales tax revenues and the Occupational Privilege Tax would further weaken the financial position of the city and county of Denver. The city and county of Denver is bearing the financial burden of providing facilities such as the zoo, parks, museums, etc. that are used by the citizens of the entire Metro area. That fact was recognized by the State Legislature in their appropriation of approximately \$11 million to the city and county of Denver. Any Federal action which may be taken to alleviate the inequities in the burdens of financing and maintaining these areawide facilities should receive serious consideration.

While the relocation of the Mint out of the CBD to either site will no doubt diminish tourism generated by conventions, the closer proximity and accessibility of the proposed Denver site is likely to encourage more convention-generated tourism than would the Lakewood site. Locating the Mint at the proposed Denver site would place it near the Denver Zoo and the Museum of Natural History in City Park, thus clustering major tourist attractions conveniently between the CBD and Stapleton International Airport.

### Transportation

Locating the new Mint at the proposed Denver site would place the facility within greater proximity to the residences of present employees thus minimize the commuting distance between employee's residences and their place of employment. It should also be considered that automobile pollutants would be less for employees commuting to and from the proposed Denver site than to and from the Lakewood site.

As indicated on pages 9 and 10, 84 percent of the present employees live within a ten mile radius of the proposed Denver site, while only 53 percent live within a ten mile radius of the Lakewood site.

The statement further indicates that the net anticipated vehicle miles traveled (VMT) by present employees from current residences would be an estimated 1,800 vehicle miles fewer per day to the proposed Denver site than to the Lakewood site.

On pages 10 and 11 of the statement, it is pointed out that the Lakewood site, which has no Denver Metro Bus service, has been planned for Personal Rapid Transit (PRT) service. Considering that the new Mint is anticipated to be ready by 1980 and that completion of the PRT is not expected until 1982, it appears that employees could well be faced with a two year transportation void.

On the other hand the proposed Denver site is currently served by Denver Metro Buses which would be immediately convenient for employees and tourists traveling to that site.

While the Denver site has not been scheduled for direct PRT service, the Citizen Action Committees for PRT are only now in the process of determining route alignments and station locations. A station could easily be planned for the proposed Denver site if the need were indicated. This would make the Denver site even more accessible than it now is in comparison with the other proposed site.

### Conclusions

Relocation of the Denver Mint to either of the proposed sites would be consistent with planning for the subject areas. However, it is the position of this Department that from the standpoint of long term, areawide comprehensive planning and community development goals, the serious impacts which we have elaborated above clearly indicate that the proposed Denver site would be far superior to that of the alternate proposal.

We have enclosed a copy of the U. S. Department of Housing and Urban Development market analysis for the two sites, which was previously sent to you on April 16, 1974, in compliance with Executive Order 11512. Also enclosed are copies of letters from two Model Cities Geographic Area Committees in support of the proposed Denver site and a location map indicating the location of Federally subsidized housing and another map showing HUD sponsored renewal projects in the city and county of Denver.

We appreciate this opportunity to provide our comments pertaining to the relocation of the Denver Mint. If you have any questions regarding these remarks, or if we may be of any further assistance, please contact this office.

Robert C. Rosenheim Regional Administrator

The Department of Housing and Urban Development's comments on proposed sites for the new United States Mint are in accordance with Executive Order 11512. These comments are presented in two parts. Part one concerns the availability of low and moderate-income housing, and part two concerns the availability of housing on a nondiscriminatory basis.

### Part I

Federally subsidized housing primarily serves two income groups. The low rent or rent supplement programs serve low-income households (i.e., a four-person family with gross annual income under \$7,000). The Section 236 Program serves moderate income households (i. e., a four-person family with gross annual income between \$5,000 and \$9,200). The following table shows the approximate number of these units within four miles of each site:

<u>Site</u>	Low Rent	Section 236		
Park Hill	2,050	1,550		
Federal Center	0	96		

The Section 236 units near the Federal Center are all designed for family occupancy. Near the Park Hill site, about half of the low-rent units and 25 percent of the Section 236 units are occupied by families.

The following table shows the sales price distribution in each area for existing units available for sale in February 1974:

Sales Price	Ī	Northeast	Denver	Central Jeff & South Lak	
\$ 000 - \$15,000 \$15,000 - \$19,000 \$20,000 - \$24,999 \$25,000 - \$29,999 \$30,000 - \$39,999 \$40,000 - \$49,999 \$50,000 & Over		24% 22% 23% 14% 11% 4% 2% 100%		1% 1% 5% 12% 38% 25% 18% 100%	
Median		\$20,000		\$39,000	

The following table shows the rental ranges of most apartments in each area;

Unit Size	Park Hill	Federal Center
1 Bedroom 2 Bedrooms 3 Bedrooms	\$120 - \$135 \$155 - \$185 NA	\$145 - \$165 \$170 - \$210 \$220 - \$260

It should be noted that there are few apartments in the vicinity of Park Hill. There are apartments in Commerce City and Aurora, but the rents on the units in Aurora would be similar to those in Lakewood. There are also a large number of apartments in east central Denver, and the rents in these units range from some of the least expensive to some of the most expensive in the Denver area. The apartments in Lakewood are primarily under 10 years old and are more homogenous than those accessible to Park Hill. Consequently, there are few units in Lakewood at the lower end of the above price ranges.

In general, the immediate vicinity of the Federal Center contains more available apartment units than Park Hill, but their rent is significantly higher.

The following table shows the sales price distribution for new homes completed last year in Denver and Jefferson Counties:

Sales	Price	Denver	Jefferson
\$ 0	- \$15,000	0%	0%
\$15,000	- \$19,999	3%	2%
\$25,000	- \$24,999 - \$29,999	71%	17%
\$30,000	- \$39,999	22%	29%
\$40,000		0%	35%
\$50,000	& Over	1%	14% 3%
		100%	100%
Med	ian	\$21,700	\$30,500

This distribution, again, shows substantially higher prices in Jefferson County than in Denver. However, there is much more activity in Jefferson County. Last year there were about 4,100 homes completed in Jefferson County and only about 400 completed in Denver.

The distribution of salaries of Mint employees indicates that 12 percent make between \$7,000 and \$9,000, and 70 percent make between \$9,000 and \$12,000. None of the employees make less than \$7,000 and only 18 percent make more than \$12,000. This indicates that none of these employees would be eligible for Federally subsidized low-rent housing, and only about 12 percent would be eligible for Section 236 units. Including this latter category, most of the employees could afford a \$15,000 to \$30,000 house or a monthly rent of \$150 to \$250. There are rental units in both areas within this

range; however, most of the units in Lakewood are in the upper portion of the range. The existing unit sales price distribution indicates that 59 percent of the units in Park Hill and 18 percent of the units in Lakewood are within the above price range.

In summary, the cost of housing in Lakewood is significantly higher than in Park Hill. Although the absolute prices and salaries will be somewhat different by the time the Mint is completed, we can expect that the relative differences will be comparable to the current situation. In general, the production levels and housing availability are greater in Lakewood. However, most of the housing is beyond the means of most Mint employees. Conversely, the availability of housing in Park Hill is more limited, but the cost of this housing is much more modest. At present, the Park Hill site would provide a much greater opportunity for moderate income employees to move close to work.

However, there remains somewhat of a paradox. One site (Park Hill) is near modest-cost housing, but little of it is available or being produced; the other site (Federal Center) is near areas of substantial housing production, but little of this is for moderate-income families. Therefore, we anticipate that the selection of either site will require the formulation of some sort of plan to assure the availability of moderate-price housing. We recommend that you contact us when construction of the Mint is underway. At that time, we will update our figures on the housing market and advise you as to what Federal and local resources might be utilized in the area to provide housing for moderate-income families.

### Part II

Comments regarding availability of housing on a nondiscriminatory basis in relation to the proposed construction of the new United States Mint in either Park Hill or Lakewood:

### 1970 Population Statistics from the United States Census:

Denver, Colorado - Total Population 514,678
Black Population 47,011
Spanish Surnamed Population 86,345
Other Minorities 9,480

Lakewood, Colorado Total Population 92,787
Black Population 130
Spanish Surnamed Population 4,360
Other Minorities 670

# Racial Breakdown of Employees of the U. S. Mint as of June 30, 1973:

Total Employment 461
Black Employees 45
Spanish Surnamed Employees 137
Oriental Employees 8

Since a fairly sizable number of present employees belong to minority groups, it can be presumed that a good number of minority-group families and individuals would be in the market for housing as new or present Mint employees.

In addition to the Federal Fair Housing Law, i. e., Title VIII of the 1968 Civil Rights Act, the state of Colorado also has a strong Fair Housing Law. The state law is administered by the Colorado Civil Rights Commission. At the present time most housing discrimination complaints in the state of Colorado are processed by the Colorado Commission on Civil Rights.

In the period from January 1973 to March 1974, the Colorado Commission processed 69 housing discrimination complaints in Denver and 2 complaints in Lakewood. The cases were handled as follows:

- 31 complaints in Denver were closed by conference (successfully);
- 38 complaints in Denver are under active investigation;
- 1 complaint in Lakewood was closed by conference (successfully);
- 1 complaint in Lakewood is still active.

During the same period, the Equal Opportunity Office of the Department of Housing and Urban Development processed 14 housing discrimination complaints in Denver and 4 in Lakewood. The cases were handled as follows:

- 4 complaints in Denver were closed by a determination not to resolve (insufficient evidence);
- 4 complaints in Denver were closed by successful conciliation agreements;
- 1 complaint in Denver was withdrawn by the complainant;
- 1 complaint in Denver was dismissed for lack of jurisdiction;
- · 4 complaints in Denver are still active;
  - 4 complaints in Lakewood determination not to resolve (insufficient evidence).

It can be noted that the existence of a far greater number of complaints in the city of Denver, as compared to the city of Lakewood, does not necessarily indicate a lack of housing available on a nondiscriminatory basis within the city of Denver. As the general population statistics show, there are many more minority-group people residing within the city of

Denver and, therefore, seeking housing within Denver; so it is not surprising that there would be more complaints. There is a relatively small minority population in Lakewood, and there has been no real incentive for the movement of minorities to Lakewood.

It is well known that there is a shortage of both low and moderate-income housing within the Denver Metropolitan Area. This shortage is certainly present both within the city of Denver and within the city of Lakewood. Both Denver and Lakewood have been active in attempts to increase the amount of low and moderate-income housing available to citizens. For many years the city of Denver has actively participated in the programs of HUD designed to subsidize housing for low and moderate-income families. While the city of Lakewood has not participated to any significant extent in the production of subsidized housing within the city, the present posture of the city administration is in favor of increasing the amount of low and moderate-income housing in the community. There has been some citizen opposition to these efforts to increase low and moderate-income housing, but the city has been moving ahead.

Both Denver and Lakewood have officially subscribed to the Fair Share Housing Plan of Metropolitan Denver. Both cities have officially endorsed the plan and committed their respective communities to increasing the number of low and moderate-income housing units. The Regional Office of the Department of Housing and Urban Development has also endorsed the Fair Share Plan and has committed itself to take into account the requirements of the Fair Share Plan in the allocation of whatever subsidized units become available to the Region.

Housing marketed through the Federal Housing Administration of HUD is also bound to the requirements of HUD's Affirmative Fair Housing Marketing Program. This means that builders and developers who are seeking FHA insurance or subsidies must agree in a formal written plan to market their housing in such a way that the availability of this housing is made to be known to all members of the community and especially to those groups, generally minority groups, who would ordinarily not be attracted to the housing because it was not in an area where they traditionally lived. This Affirmative Fair Housing. Marketing can be a significant tool in assisting minority-group families and individuals to find housing.

The Federal Housing Administration of HUD, together with the Home Builders in Metropolitan Denver, are working on a voluntary area-wide Affirmative Marketing Plan which would include not only housing insured or subsidized by the Federal Government, but also conventionally financed housing. This agreement would apply to subsidized, Federally insured and conventionally

financed housing. Thus, we can anticipate that most new housing in the Denver area would be marketed on the basis of an Affirmative Fair Housing Marketing Program specifically designed to open all housing to all segments of the community and especially to assure minority-group home seekers that housing is available to them.

It seems that if there are significant barriers for minority-group people seeking housing either within Denver or Lakewood, these barriers relate more to the availability of housing within the income limits of the home seeker rather than the barrier of discriminatory housing practices. While the minority-group home seeker might encounter discrimination either within the city of Denver or the city of Lakewood, it seems that this discrimination would be more of an isolated instance rather than a significant organized barrier. Both the city of Lakewood and the city of Denver have taken stands in support of increased numbers of moderate income housing units and stands in favor of equal rights for all citizens. The Denver Home Builders Association through its commitment to the principles of Affirmative Fair Housing Marketing also supports a program of marketing housing on an equal opportunity basis.

The Regional Office of the Department of Housing and Urban Development will be pleased to work with the Bureau of the Mint and the officials of the city in which the new facility will be located to increase the amount of moderate-income housing available in the area.



## United States Department of the Interior

### OFFICE OF THE SECRETARY

MISSOURI BASIN REGION

BUILDING 67, DENVER FEDERAL CENTER DENVER, COLORADO 80225

APR 1 1974

Mr. Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

This is in response to Mr. Warren F. Brecht's letter of March 6, 1974, requesting the Department of the Interior's comments on the revised draft environmental statement for the proposed construction of the new United States Mint in Denver, Colorado.

### General Comments

The revised draft statement is generally adequate and covers several of the environmental concerns of this Department. However, there are a few areas where additional information and clarification are needed to strengthen the revised draft.

### Specific Comments

1. Description of the Proposed Action

The revised statement provides little information on the geology and hydrology of the proposed site locations. Environmental problems that may result from local geologic and hydrologic conditions should be recognizable from preconstruction investigations and be within the range of accepted engineering practice.

There should be evidence in the revised statement of consultation with the National Register of Historic Places, and discuss whether any National Register properties will be affected. If the project has an effect on a National Register listing, the statement should reflect further compliance with Section 106 of the National Historic Preservation Act of 1966 (Public Law 89-665).

Mr. Frank W. Rhea Page Two

In addition, the revised ststement does not clearly confirm consultation with the State Historic Preservation Officer for Colorado. The final environmental statement should reflect that he was consulted to determine whether the proposal will affect any cultural site which may be in the process of nomination to the National Register of Historic Places and contain a copy of his response.

We believe that the previously proposed site for the new mint on the west bank of the South Platte River should not be completely ruled out. The reasoning behind this action (page 3) is subjective. For example, the explanation that the environmental condition of the mint as a tourist attraction at this site would be "incompatible" or "out of harmony" is questionable. A more detailed environmental analysis of this site than what is presented in the statement appears to be in order. And, as for "heavy train traffic" in that area, this situation would also prevail at the Denver Federal Center site, should that site be selected. (Trains servicing the proposed new mint at the Federal Center would cause motor vehicular delays at the Sixth Avenue grade crossing. Furthermore, vehicular traffic in the area adjacent to the northwestern section of the Federal Center is already quite congested, particularly during the morning and afternoon rush hours.)

It is apparent that air pollution will be a major problem no matter what site is selected. This adverse impact should be discussed in detail for <u>each</u> proposed site and compared to existing air quality at each site.

Mitigating measures are suggested (page 4) for replacing the eight golf holes at the Park Hill Golf Course, should that site be selected. However, specific plans for the replacement should be included in the final statement.

Sincerely,

for Special Assistant to the Secretary

# U.S. DEPARTMENT OF TRANSPORTATION FEDERAL HIGHWAY ADMINISTRATION

REGION EIGHT
BUILDING 40, DENVER FEDERAL CENTER
DENVER, COLORADO 80225

May 6, 1974

IN REPLY REFER TO:

08-00,21

Mr. Frank W. Rhea
Facilities Project Manager
Bureau of the Mint
Department of the Treasury
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

We appreciate the opportunity to review the Draft Environmental Impact Statement on the Construction of New United States Mint, Denver, Colorado. We are especially interested in the impacts of the proposal on the existing highway and street system and projected private motor vehicle and public transportation use.

The assessment of existing conditions and impacts on traffic generation and movement are described very well. Probable effects of motor vehicle emissions on air quality have been factually stated. We concur that adequate transportation facilities exist to service either possible site.

Sincerely,

W. H. Baugh Regional Federal Highway Administrator

( X. aliss.

By: Frank S. Allison, Director Office of Environment & Design

# UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

GENERAL SERVICES OF ADMINISTRATION OF

Region 8

Denver Federal Center

Denver, CO 80225

### APR 2 4 1974

Mr. Frank Rhea
Facilities Project Manager
U. S. Mint
320 West Colfax Avenue
Denver, CO 80204

Dear Frank:

Thank you for the opportunity to comment on your February 24, 1974, Draft Environmental Impact Statement in which the Park Hill Golf Course and Denver Federal Center sites are discussed.

The Draft appears to be a factual statement which adequately covers the subject matters to be considered in the selection of a site for a major facility such as the new Denver Mint.

It is this agency's opinion that either of the two sites under consideration would make an excellent site for the new Mint.

As the agency with the contracting authority for the design and construction of a new Mint, I would like to take this opportunity to assure all interested parties that we intend to fully comply with all Federal and State clean air and environmental quality anti-pollution standards. This will be accomplished with the utilization of the most modern and efficient pollution control and prevention systems available for the production process and the support facilities.

Energy conservation is, and will continue to be, of prime consideration in all our projects, including the new Denver Mint. GSA has recently published a document entitled, "Energy Conservation Design Guidelines for Office Buildings" which will serve as a valuable guide to the design Architect-Engineer for the new Mint.

The primary source of fuel at the Denver Federal Center central steam plant is natural gas with No. 2 fuel oil and coal being used as standby fuels. Due to the energy shortage experienced in early 1973, GSA converted both of the existing convertible boilers to facilitate the burning of coal. The third existing boiler cannot be converted to coal use. Subsequent to the conversion of the boilers to permit the use of coal, they were tested by the Air Pollution Control Division of the Colorado Department of Health and found to be in compliance with Federal and State emission standards while using coal as a source of fuel. While burning natural gas or fuel oil, we were in compliance

with Federal and State clean air standards. We have discontinued the use of coal as a standby fuel at the Denver Federal Center until necessary equipment changes are made which will insure compliance with emission standards.

To correct the present emission problem and to insure that proper consideration is given to our immediate and long range energy conservation efforts, we have contracted with a consulting firm to conduct a detailed engineering feasibility study including the pre-engineering design of necessary corrective measures to assure compliance with Federal and State emission standards. The study will be complete in about 90 days at which time we will evaluate our entire problem from the fuel availability, energy consumption and emission control standpoints. Present and estimated future requirements of the Denver Federal Center, including possible new Mint requirements, are being considered in this study.

The existing boiler capacity at the Denver Federal Center is adequate to handle the estimated load of the new Mint. The present emission problem will be corrected far in advance of the new Mint coming to the Denver Federal Center, should the DFC site be selected.

I trust these comments and those received from other interested parties will permit an early site selection so that this project may proceed without further delay.

7. 1.1

MICHAEL J. NORTON

Regional Administrator

# OPPORTUNITY

EXECUTIVE OFFICE OF THE PRESIDENT
Region VIII
Federal Bldg., 1961 Stout St.
Denver, Colorado 80202

IN REPLY REFER TO:

Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint - 320 W. Colfax
Denver, Colorado 80204

Dear Mr. Rhea:

It appears that the two proposed sites, the Park Hill Golf Course area and the Federal Center site are for the most part equal in terms of:

1. Physical site capability

 Accessibility to rail transportation for mint operations

3. Private and mass transit facilities for employees and tourists

 Probable adverse effects to the environment

However, there is one aspect in which the two sites are not equal. That aspect being the social, economic and cultural setting. The Lakewood site is in a prosperous and fairly homogeneous area, whereas the Park Hill area represents the opposite. Therefore, it seems that the Park Hill area would be the better site location in regard to social, economic and cultural benefits. If the Park Hill area was selected, it would be more beneficial in terms of greater employment, alleviation of poverty, and an increase in property values. Since Park Hill represents a greater need, it is recommended that this site be chosen for the Denver Mint.

Another factor that should be addressed is that of citizen participation. My understanding is that no public hearings or forums per se have been conducted to date. The only citizen input has been by interest groups in the two areas. It is therefore recommended that public forums be held in both the Park Hill and Lakewood areas to provide citizen input and to

determine if they (the citizens) want the mint in their area. Your interest in The Office of Economic Opportunity's input is appreciated.

Sincerely,

DAVID E. VANDERBURGH Regional Director



### COLORADO DEPARTMENT OF HEALTH

4210 EAST 11TH AVENUE · DENVER, COLORADO 80220 · PHONE 388-6111

Edward G. Dreyfus, M.D., M.P.H. Executive Director

April 18, 1974

Mr. Frank Rhea
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

A review of the New United States Mint Draft Revised Environmental Impact Statement has been completed by the Air Pollution Control Division of this Department. The Impact Statement discusses two proposed sites, the NW corner of the Park Hill Golf Course and the NW corner of the Denver Federal Center.

The air quality data supplied in the Impact Statement presented, for 1970, an annual geometric mean for suspended particulate matter of 60.3 ug/m3 (micrograms per cubic meter) for the Lakewood site (see Attachment A). The station is approximately one mile east of the Denver Federal Center proposed mint site. However, the sentence on page 14 of the Statement, "The School Administration Building Station is representative of air quality conditions at the proposed Park Hill Site" is not correct. A much closer station is the Hull Fhoto site at 5105 East 38th Avenue. This station is approximately one mile from the proposed Park Hill Mint site. The annual geometric mean, for 1970, of suspended particulate matter from the Hull Photo station was 79.6 ug/m3. If the 1972 recorded and 1973 projected levels of suspended particulate matter are considered (see Attachment B), there is not much difference between the two sites; therefore we feel both sites are about comparable considering only this one pollutant. However, the major automobile-caused pollutants (i.e., carbon monoxide and photochemical oxidants) presently exceed Federal ambient air quality standards on numerous occasions over large portions of the Denver area. With limited air quality data for these pollutants at the two proposed mint sites, pollutant problems can be reduced by locating the mint where vehicle traffic can be minimized.

The Impact Statement devotes several pages to the volume and impact of the induced vehicle miles traveled (VMT) of either site. Based on projections of 1973 vehicle usage at the existing Denver Mint, the Park Hill site should generate 1800 VMT less daily net average than the Denver Federal Center site. On the other hand, the average daily traffic (ADT) counts of the roadways adjacent to both sites indicate 7600 less vehicles at the Denver Federal Center site.

The Department has great concern for the Park Hill area, because it falls within the boundary established by both the Department of Health and the Environmental Protection Agency to demonstrate the adequacy of transportation control strategies to attain and maintain the National Ambient Air Quality Standard for hydrocarbons by mid-1977. To reach that standard at the Park Hill site, there must be a reduction in vehicle miles traveled (VMT) in the described area (see Attachment C). No new source of generated VMT could be tolerated within the area without a corresponding reduction of VMT from another source, or unless motor vehicle emission control technology is improved beyond that presently considered possible.

The final point to be made is the availability of public transportation to both sites in 1980 and thereafter. The Regional Transportation District has proposed the NW corner of the Denver Federal Center as a terminus for the rapid transit system (completion date, 1984). The terminus is to be virtually adjacent to the proposed Mint site. The Park Hill site, on the other hand, would be served by bus, with the closest transfer point about two miles from the rapid transit network.

The analysis of existing air quality, meteorological conditions, and the impact of vehicle usage and pollutants generated by the two sites upon the projected ambient air, supports the conclusions stated on page 15 of the Statement, "...it is considered that the net adverse impact on air quality would be less with the new Mint located at the Federal Center."

This is the only official statement to date from the Department of Health regarding the air quality impact of the relocation of the Denver Mint.

Sincerely,

Lane W. Kirkpatrick, Acting Director

Air Pollution Control Division

Reviewed by:

Executive Director

Colorado Department of Health

Reviewed by:

Robert D. Siek, M.P.H.

Coordinator, Environmental Programs

Date (4) 19, 1974

LWK/LT:fg cc. J. Mullen. Denver Chamber of Commerce

# COLORADO DEPARTMENT OF HEALTH

STATISTICAL ANALYSIS OF AMBIENT AIR QUALITY DATA
POLLUTANT: SUSPENDED PARTICULATES
UNIT: MICROGRAMS PER CUBIC METER
YEAR: 1970

### METRO DENVER REGION

# STATION TOTALS FOR REGION 2

	STATION	QTR	NUM	ARIT	MIN/MAX	10	LOG-N	DIS	7% 70	90	GEO MEAN	STD	
	126001	1	24	80	30/211 15/149	37 31	55 45	71 59	92 78	135	71.0 59.3	1.65	
	LAKEWOOD	2 3 4	27 24 20	55 70	21/168 30/109	25	37 54	48	63	92	48.4	1.66	
	TOTA	L	95	68	15/211	32	47	60	78	114	60.3	1.64	
	58006	123	25	103	26/213 34/166 23/187	52 47 40	74 62 56	94 74 70	119 90 88	169 118 123	93.8 74.4 70.0	1.58	
	TOTAL	4	20	91	32/175	45	64	82	105	150	82.3	1,60	
	58001	1	23	149	74/255	91		141	169	219	141.2	1,41	
L	SCHOOL AD. BLDG.	2 3 4	24 23 20	100 98 122	66/181 40/109 43/229	66 56 62	82 . 75 88	96 92 112	112 112 142	141 150 201	96.0 91.7 111.9	1,35	
	POTAL		90	117	40/255	65	88	108	134	181	108.3	1,50	

DESCRIPTION OF TRANSPORTATION
AND LAND USE CONTROL PLAN
DEMONSTRATION AREAS

Carbon monoxide:

An area bounded by Larimer Street on the northwest, 20th Street and 20th Avenue on the north, Logan Street on the East, 13th on the south, and Speer Boulevard on the west.

Hydrocarbons:

An area bounded by the corner of West 6th Avenue and Federal Boulevard, north to the intersection of West 29th Avenue, then east on West 29th Avenue to the intersection of Zuni Street, then north to the intersection of West 38th Avenue, then east to Interstate 25, then north to the intersection of Interstate 70, then east to the intersection of Holly Street, then south to the intersection of East 38th Avenue, then west to the intersection of Colorado Boulevard, then south to the intersection of York Street, then south to the intersection of East 29th Avenue, then west to the intersection of York Street, then south to the intersection of East 6th Avenue, then west to Federal Boulevard.

### ATTACHMENT C

### SUMMARY OF SUSPENDED

### PARTICULATE DATA

	Annual	Geometric	Mean (ug)	<u>/m<sup>3</sup>)</u>
	1970	1971	1972	1973
Lakewood	60.3	71.0	71.0	72.0*
Hull Photo	79.6	84.0	74.0	78.0*

<sup>\*</sup> projected

# STATE DEPARTMENT OF HIGHWAYS

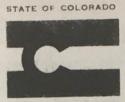
CHAS. E. SHUMATE

EXECUTIVE DIRECTOR

DIVISION OF HIGHWAYS

E. N. HAASE

CHIEF ENGINEER



DISTRICT 6

R. E. HEATHCOTE

DISTRICT ENGINEER

2000 SOUTH HOLLY . DENVER COLORADO 80222 . (303) 757-9252

Environmental Review

Ref. 06-00

March 29, 1974

Mr. Frank W. Rhea Denver Mint 320 West Colfax Avenue Denver, Colorado 80204

Dear Mr. Rhea:

Thank you for allowing the Department of Highways to review the Draft Revised Environmental Impact Statement for the new Denver Mint.

In reviewing the Statement, a major question is raised regarding transportation to and from the proposed Site B - Denver Federal Center. As mentioned in the Environmental Impact Statement, the rail spur serving the Denver Federal Center from the north would be desirable for the shipment and delivery of metals. However, since this spur crosses U. S. Highway 6 (Sixth Avenue Freeway) at a grade crossing, we feel that a study should be made to determine to what extent rail traffic will be increased on this line, and what effect it will have on vehicular traffic on the Freeway.

please keep the Department of Highways informed of the progress of the Environmental Impact Statement on the proposed Mint so that we might coordinate activities.

Very truly yours,

R. E. HEATHCOTE District Engineer

By My Trancis

District Environmental Manager

KCF: fk

cc: R. E. Heathcote
ERA File
File (Francis)

F-42

# THE STATE HISTORICAL SOCIETY OF COLORADO

Colorado State Museum, 200 Fourteenth Avenue, Denver 80203

Office of the State Archaeologist Ketchum 5A University of Colorado Boulder, Colorado 80302 April 18, 1974

Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

Cynthia Emrick sent a copy of the draft environmental impact statement concerning the new Denver Mint. I have read the draft and I feel no adverse effects to archaeological resources would occur at either of the two proposed sites for the new mint. Should archaeological remains be encountered during construction, this office should be immediately notified along with appropriate Federal agencies for their proper documentation and salvage.

Should this office have additional information pertaining to archaeological remains at the two alternate mint sites, we shall forward this data with our recommendations.

Sincerely,

Marvin Kay

Staff Archaeologist

cc: Cynthia Emrick

mt

# THE STATE HISTORICAL SOCIETY OF COLORADO

Colorado State Museum, 200 Fourteenth Avenue, Denver 80203

April 3, 1974

Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

I have consulted the State Inventory of Historic Sites as well as the Denver Landmark Commission Inventory and there are no historic sites that would be affected in either location for the new mint. Therefore, we would have no objection to the project from this standpoin. I am forwarding the report to the State Archaeologist, Ir. Hester, who must do the required commenting and review of the archaeological resources that may or may not be concerned.

I would remind you that the old Mint is a National Register site. It is also a part of the newly designated Civic Center Denver Landmark Commission. I am sure that lans for the old building will be cognizant of these distinctions and will be respectful of them. I would hope that any plans to be made would be presented before the Denver Landmark Commission and ourselves for comment.

Cynthia Emick

Cynthia Emrick

Preservation Assistant

cc: Dr. Hester



# DENVER REGIONAL COUNCIL OF GOVERNMENTS

1776 SOUTH JACKSON STREET . DENVER, COLORADO 80210 . 758-5166

April 24, 1974

Mr. Frank W. Rhea
Bureau of the Mint
Facilities Project
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Subject: EI/001-74, Draft Environmental Statement for new Denver Mint

Dear Sir:

Reference is made to your letter and enclosure of March 6, 1974 concerning review of the Draft Environmental Impact Statement for the new Denver Mint in accordance with Section 102 (2) (c) of the National Environmental Policy Act of 1969 (Public Law 01-100). In response to your communication, the Council has reviewed the Statement as it relates to the Council of Governments' concern with areawide planning and development.

The Council of Governments appreciates this opportunity to be of service to your agency.

Sincerely,

Robert D. Farley
Executive Director

RDF/nl

Enclosure

CC: Richard Brown - Colorado Division of Planning
William H. McNichols, Jr. - Mayor of Denver
Don DeDecker - Lakewood COG Representative
Gary Latham - Lakewood Director of Community Development
Alan Canter - Denver Planning Office Director

F-45

## COMMENTS ON EI/001-74

Excerpts from the April 5, 1974 DRCOG Regional Planning Advisory Committee Meeting: Mr. Bigenwald, DRCOG staff reviewed the status of the EIS. At that time, it was the Committee's wish that the whole Committee should have the opportunity to review the statement.

Gary Latham, Lakewood, outlined the Lakewood staff position relative to the new U.S. Mint. The Lakewood City Council has held a public hearing relative to citizen input. A study session was also held to evaluate citizen input as well as staff comments.

Lakewood City staff commented on a number of points with regard to the Federal Center site. Mr. Latham said that there have been several mis-statements made by other agencies relative to the site. His staff identified information that could satisfy those concerns. The Federal Center site does have existing rail access which was one of the concerns in terms of bringing in supplies. Another concern expressed was relative to the traffic patterns in the area. He reviewed for the Committee plans concerning that particular area relative to the Simms-Union interchange. He pointed out that the the Colorado Division of Highways is modifying that interchange. Concern was expressed that Simms and Union themselves would not be sufficient to carry the volume of traffic being generated because of its two lane configuration. A portion of that is already under construction for six lanes.

It was also pointed out that RTD has discussed this particular area as a PRT stop which would make the facility immediately adjacent to the Mint site. Connected with that would be some tourist facilities, including small convenience shops such as restaurants etc... between the Federal Center site and Union. Across Union similar additional facilities would also be provided. Mr. Latham further pointed out that this particular proposal is in conformance with both the proposed Lakewood Comprehensive Plan and with the DRCOG Regional Plan in that it is within the major activity center located in that area. Lakewood will go on record favoring the Federal Center Site, but included within their recommendations is a request that the particular areas of concern expressed by the City of Lakewood be forwarded to the Treasury Department. Specifically the City requests that their concerns be taken into account as further impact analysis is conducted and that specific funds be allocated to the amelioration of the City's concerns, particularly during the Construction phase of the project.

Copies of an analysis by the Denver Planning Office staff review on the Draft Environmental Impact Statement of the Denver Mint were distributed to those in attendance. (A copy of this analysis is attached to and made a part of the file copy of these minutes.) Wayland Walker, of the Denver Planning Office, displayed a map and explained the environmental analysis conducted by the Denver Planning Office on the comparison of vehicle miles that would have to be travelled to each of the two proposed sites from the place of residence of the employees currently working at the Mint. Mr. Walker pointed out that vehicle miles and hence air pollutants would increase if the Lakewood site were chosen for the new Mint.

Duane Tinsley, Thornton, expressed a concern over the VMT analysis presented at this meeting, and as presented in the report. He questioned what the relationship of the additional 400 employees would be. He also said that tourist miles would likely increase at the Lakewood site.

Mr. Latham noted that in reviewing the impact statement one finds that in terms of all the areas analyzed, the difference in the actual impact is very minimal. Perhaps the VMT analyis showed the greatest variance.

Other factors should be considered: One is the Public Transportation Plan in terms of where the PRT line has been located. Secondly, in terms of the general traffic movement, the difference between the two sites may not be directly related to differences in air pollution. In other words the VMT is only directly related if the vehicles move at the same speed. The slower speeds likely at the Park Hill site might actually cause more pollution. The difference in how the cars move have a great bearing on how much pollutant is established. Thirdly, as far as new employees, he said the site that is eventually chosen for the Mint will have a great deal to do with where employees will live. Fourth, through many discussions, Lakewood has had, they have heard the concern expressed that the suburbs are not necessarily carrying their share of housing relative to lower and moderate income persons. Through the review of this proposal and of the persons who work at the Mint now, a goodly number of those people fall into the moderate category. Lakewood has adopted the allocations made by COG as being Lakewood's goals. Lakewood is in a position of finalizing programs to be able to handle this type of income level. To that degree the location of the Mint might provide an opportunity to boyh employment and housing.

Mr. Walker said that in the written comments of the Denver Planning Office they have gone into detail on several of the different areas such as housing and have listed its concerns in many of these social areas.

Ken Dell, RPAC Chairman, said that the main purpose of this review is to review the environmental impact statement on the Mint and not to make a decision as to the location of the facility and requested that comments be confined specifically to the impact statement.

Gordon Appell, DPO, said that the Denver analysis concluded that the impact statement was deficient on the analysis of social and economic conditions. From the standpoint of housing and schools, the impact statement could be strengthened to show that housing for low and moderate income individuals is provided in the City of Denver.

Mr. Tinsley, Thornton, said that in addition to the level of detail in social and economic considerations, the statement is meager on the detail provided concerning the transportation impact on the individual facilities. The report did a good job of analysis on the systems level, but did not consider in enough detail the impact it would have on arterials and intersections.

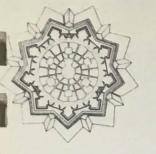
Mr. Frank Rhea, Project Manager for the Department of Treasury, was present to answer any questions. He said that part of the problem in trying to analyze the impact on the transportation system is trying to predict how people are going to get to work in 1980. Design of the Mint has not proceeded because it depends on the site that is chosen. The actual process used in the forging of the various coins is also tied up because of proposed legislation to change the penny to aluminum, which is affecting strip production. He said that in actuality, the Mint feels there will be only a very small additional traffic load, because of the different work shifts, employees will be coming to work at different times during the day.

DRCOG Staff Comments: The Council of Governments staff has reviewed the Draft Environmental Impact Statement prepared by the Bureau of the Mint, Department of the Treasury, regarding the Construction of New United States Mint, Denver, Colorado. The Draft Statement considers the impact of two alternative sites (1) the northwest corner of the Park Hill Golf Course in Denver and (2) the northwest corner of the Denver Federal Center in Lakewood. The Mint would consist of 700,000 square feet of gross building space and aucillary service area totaling 30 acres.

In general, the impact statement has covered most of the salient points regarding the environmental impact of the two sites. However, there appears to be a lack of discussion concerning the social impact of the location of the facility on either of the sites. Analysis is undertaken concerning how the alternative sites might effect the relocation of employee housing over time; however, the actual impact of the facility on the social and economic structure of the surrounding community was not addressed in detail.

There is also some question as to the comparative VMT estimates for the alternative sites. The analysis of the "center of gravity chosen, are two questions that could be asked. Results of the 1971 JRPP origin and destination study suggest the average work trip length for the region was about seven miles. One could argue that over time the average employee trip would not be based on a center of gravity concept but would approach the regional average of seven miles, hence, the VMT for both sites may actually be 6,300 Vehicle Miles of Travel. (7 miles X 900 trips). (April 12, 1974)

It was moved by Mr. Appell, Denver, that the RPAC accept the staff comments with the addition of the comments reflected in the minutes that have been made at the meeting both -- written and oral. The motion was seconded by Gary Latham and passed unanimously. (April 12, 1974).



# Colorado Division of Planning

575 Sherman Street / Denver, Colorado / 80203

Philip H. Schmuck / Director

April 18, 1974

Department of Local Affairs

Phone / (303) 892-2178

Mr. Frank W. Rhea
Facilities Project Manager, Denver Mint
Bureau of the Mint
320 West Colfax Avenue
Denver, Colorado 80204

SUBJECT: Draft Revised Environmental Impact Statement Construction of New United States Mint, Denver, Colorado

Dear Mr. Rhea:

The Division of Planning, as Colorado State Clearinghouse, has reviewed the Draft Revised Environmental Impact Statement (DES) for the new Mint. On the whole, the DES satisfactorily analyzes the potential impacts of locating the new Mint at either of the two proposed sites. The following items, however, should be addressed and assessed in the final environmental impact statement.

- 1. Although the DES analyzes the impacts of the proposed action on traffic generation, air pollution, housing demand, etc., a more thorough analysis of the impacts on the living environment of the immediate neighborhoods of the two proposed locations, particularly the Park Hill residential area, is needed. The effect of the proposed action on residential property values, future land use, and neighborhood stability are some of the important impacts that are not discussed.
- 2. In the discussion of the Federal Center site, the DES ignores the impact of higher utilization of the at-grade railroad crossing on the 6th Avenue freeway.
- 3. The analysis of alternatives to the proposed action should be expanded in the final environmental impact statement to include the following:

Bureau of the Mint New United States Mint DES April 18, 1974 Page 2

- a. Continuing use of the existing Mint and housing support facilities and personnel in another building rather than constructing a new Mint that would house all facilities and personnel in one structure. For example, administrative personnel, shipping and distribution facilities could be housed in an "annex" located near the existing Mint. Although this alternative would have adverse impacts, e.g., transportation and travel between the two facilities, it may result in less total adverse impact than relocation of the Mint to either of the sites proposed in the DES.
- b. Reconsideration of the South Platte River site in view of recent efforts by certain members of the Colorado Legislature to dissuade the Burlington Northern Railroad from constructing new double tracks along the west bank of the River. Even if the double tracks were constructed, could not the adverse noise and unsightly view be screened through appropriate landscaping and architectural design?
- 4. The impacts of abandoning the existing Mint could be more thoroughly assessed. Although there will certainly be positive impacts, such as less congestion, the negative impact on the cohesiveness of the Denver Civic Center if the Mint becomes just another public office building cannot be ignored. More discussion and thought should be devoted to the eventual use of the existing Mint.

The Colorado State Clearinghouse appreciates this opportunity to review the DES for this very important matter. Please do not hesitate to call if you have any questions or if the Division of Planning can be of any assistance.

Sincerely

Philip H Schmuck

Director

PHS/JO/vt

cc: Hugh H. C. Weed, Jr., Executive Director, Dept. of Local Affairs John Bermingham, Assistant to the Governor on Environmental Affairs and State Planning

Robert D. Farley, Executive Director, Denver Regional Council of Governments

### **Regional Transportation District**

56 Steele Street Denver, Colorado 80206 303/399-8140



April 24, 1974

Mr. Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea,

Reference is made to Department of the Treasury's letter, dated March 6, 1974, requesting a review of the Draft Revised Environmental Impact Statement for the proposed new Denver Mint. The Regional Transportation District has reviewed this document and had made the following finding:

The transit implications for the two sites are different with respect to short-term and long-term public transportation plans.

The short-term public transportation plan, the Early Action Program, involves improvements to bus service for the District. The Park Hill site is currently served by existing bus service. Route 15, which serves the Park Hill site directly, is a scheduled North-South service on Colorado Boulevard interconnecting with scheduled East-West routes - 64, 28, 40, 14, 13, and 6 within a distance of about three miles. These routes service Denver's Central Business District and points east and northwest. Additionally, regional service between Boulder and the C.U. Medical Center may include a stop for the Park Hill site on its existing route. Under the Early Action Porgram, bus frequencies on each of the local routes will be increased. Bus frequencies for Route 15 will be improved to one bus every fifteen minutes. With increased frequencies on the interconnecting bus routes, as well, the Park Hill site will be readily accessible by transit for employees and tourists.

The Federal Center Mint site at 6th and Union is not currently served directly on a regularly scheduled basis by existing transit operations. Routes 16 and 59 serve the Federal Center directly but only for commuter service in the morning and evening. Route 16 is a North-South service on Kipling Street. Route 59 connects the Federal Center with Denver's Central Business District. Route 75 operates regularly between the West Lakewood area and Denver's Central Business District, but the west end of the line is Alameda and Garrison, approximately 1.5 miles southeast measured on a straight line from the Federal Center site.

Under the Early Action Program, Route 16 will be converted into a regularly scheduled North-South service on Kipling with thirty minute bus frequencies. As a scheduled service, Route 16 will interconnect with another East-West service, Route 84, which will operate between Golden and Denver's Central Business District also on a thirty minute frequency. Route 59 will be improved by the addition of two more bus trips in the morning and evening but it will remain a commuter service. Route 75 will be extended to the west under the Early Action Program to Alameda and Ohio resulting in a Federal Center bus stop at Alameda and Union Street. As a result of the Early Action Program, the transit accessibility of the Federal Center Mint site for employees and tourists will be improved. Route extensions and modification of bus service to serve the Federal Center Mint site are possible under the Early Action Bus Program.

The timing for the short-term transportation plan calls for the implementation of improved bus service in 1975. Because of the flexibility of bus routes and bus operations, bus service may be changed under the Early Action Program to accommodate the transit needs of either Mint location. Future improvements beyond the Early Action Program to bus operations will be accomplished in accordance with the Transit Development Plan, a five-year management and improvement plan.

The long-term public transportation plan involves the implementation of a personalized system of rapid transit on fixed guideways with a variety of levels and types of bus service to support the rapid transit system. This Personal Rapid Transit (PRT) system includes approximately 58 stations and 100 miles of guideway throughout the Regional Transportation District.

With regard to PRT service, the Park Hill site will not be directly served. The closest PRT station location to the Park Hill site will be in the vicinity of East Colfax and Colorado Boulevard, a distance of approximately 2.5 miles. The transit link between the Park Hill site and the station will be accomplished by local bus service circulating within this area. The level of bus service and frequencies in this general Northeast Denver area has not yet been determined but a high frequency of service may be anticipated for North Colorado Boulevard because of the need to serve the adjacent residential neighborhoods and type of activities located on this arterial: Phipps Auditorium, Museum of National History, City Park, school, City Park Golf Course, Park Hill Golf Course, and the industrial uses and employment locations in the I-70/Colorado Boulevard general area. The Park Hill site will be accessible from all parts of the region by rapid transit via a transfer to local buses circulating in the neighborhood.

Page 3 April 24, 1974

The Federal Center site will be served directly by the PRT. A station location is planned for the Federal Center in the vicinity of 6th Avenue and Union Street. Thus the Federal Center site will be directly accessible from all parts of the District via rapid transit.

The timing for the implementation of the PRT system is 1975-1983. It is anticipated that the PRT will be fully operational by the year 1983.

There are no negative environmental comments relating to transit regarding either site for the proposed mint location.

Thank you for the opportunity to review and comment upon this Draft Revised Environmental Impact Statement.

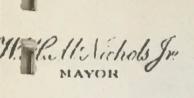
Sincerely,

Ralph E. Jackson

Director of Planning

REJ/ca

Metropolitan Denver Sewage Disposal District No. 1 HAROLD V. COOK, Chairman MARY B. O'DELL, Chairman Pro Tem BORIS S. VOUKOVITCH, Secretary WILLIAM E. KUHN, Treasurer 3100 EAST BOTH AVENUE COMMERCE CITY, COLORADO 80022 TELEPHONE 303 288-6613 WILLIAM E. KORBITZ, P. E., Manager March 14, 1974 Mrs. Mary Brooks, Director U.S. Department of the Treasury Main Treasury Building Washington, D.C. Dear Mrs. Brooks: A review of the draft revised environmental impact statement concerning construction of the new United States Mint in Denver, Colorado has brought forth no appropriate comments concerning the effects of the proposed construction on sewer service or water pollution in the Denver area. I do have a comment concerning traffic control and traffic problems based on my past experience in connection with traffic control and traffic facilities design. It would appear that the Park Hill location for the Mint would probably result in considerable additional traffic congestion in the vicinity of Colorado Boulevard, Smith Road and Interstate 70. This type of traffic problem probably would not result if the Mint were located at the Denver Federal Center west of Denver. It probably also would be appropriate to consider the increased air pollution problems by superimposing the additional traffic on the street system in the vicinity of the Park Hill site. I hope these comments will be of some help to you. Yours very truly, William E. Korbitz Manager WEK/d F-54





# City and County of Donver

CITY AND COUNTY BUILDING . DENVER, GOLORADO . 80202

AREA CODE 303 207-2721

March 29, 1974

Mrs. Mary Brooks
Director of the Mint
Department of the Treasury
Washington D.C. 20220

Dear Mrs. Brooks:

Thank you for sending us a review copy of the Draft Revised Environmental Impact Statement prepared by the U.S. Mint February 27, 1974, for the construction of a new United States Mint at Denver, Colorado.

City Planning Office staff have reviewed and prepared comments upon the draft. These comments are enclosed.

Highlights of our review are as follows:

- (a) First and foremost, is the legal question of locating the Denver U.S. Mint in-or-out-side of the City and County of Denver. This legal question should be addressed in the impact statement since site location relates to all of the core city's socio-economic and environmental considerations. The Federal Statutes specifically 31 U.S. Code 261 and 262, describe the necessary location for mints and assay offices as follows:
  - 261 "... The different mints and assay offices shall be known as ... the mint of the United States at Philadelphia ... the mint of the United States at Denver ... the United States assay office at San Francisco ... the United States assay office at New York."
  - 262 " ... The coinage of silver and minor coins shall be carried on at the mint of the United States at Denver, in the State of Colorado."

The Federal Center alternative site is clearly located in the City of Lakewood, in the County of Jefferson, State of Colorado.

The Denver City Attorney's Office has information on the legal requirements should you require the same.

- "... We don't know whether those involved in the preparation of the impact statement are aware of the fact that it is impossible to move a federal establishment from an inner-city location to a suburban location without specific permission of the General Accounting Office of the federal government. This is to prevent the flight to the suburbs that has taken place in some cases at the federal establishment level. It is not uncommon for a federal agency to take off, depart Washington or some other big city, and locate itself in some euphoric sylvan location, where the employees can enjoy the country air, the beautiful views, and the absence of unwanted minority colleagues."
- (b) Both proposed alternatives are located in the Denver Air Quality Control Region, which is the "target area" for implementing federal and state air control strategies. Any implication that the air quality problems are distinguishable between these two alternatives is unfounded by the facts known to the Planning Office. If statistics exist which reflect any air quality measurement differences between the sites, they should be listed. Our investigation shows that air sampling has not been done at either location.

The use of coal-fired energy at the Lakewood site would also add to the suspended particulate air pollution load. This is not quantified in the draft.

- (c) Potential traffic problems which exist because the Lakewood spur tracks cross the 6th Avenue Freeway at grade have not been mentioned.
  - Similarly, potential traffic problems associated with the interchange at 6th and Simms, which is not a cloverleaf, have been left out of the report.
- (d) The social and economic impact of moving a major employer out of Denver has not been fully examined in the draft statement. Such important factors as loss of Denver school children, housing, class-room space, job opportunities, and estimated loss of city revenues has not been quantified in the draft.
  - " ... The ethnic distribution chart in Denver: The Core City clearly

<sup>1</sup> Quotes are from a letter to the Mayor from Chancellor Maurice Mitchell of the University of Denver and the United States Commission on Civil Rights.

indicates that Denver is bearing the burden and providing a home for the majority of the ethnic residents of this area. The Black and Hispano minority, for example, are not wanted in Lakewood. If the minorities are not free to move to the suburbs and get the same benefits that they get from Denver, then it is improper and unfair to move to such a location. Result of such a move would be a severe burden on the minority community, which would have to be a commuter employee group in order to reach its place of work. At present mass transit is not readily available from the inner city of Denver to a large number of suburban locations --- particularly to the Federal Center. To force a member of a disadvantaged community to buy an automobile in order to hold a job is a form of discrimination. The kinds of vehicles that can be acquired by disadvantaged persons is likely to be something less than modern vehicles, which may break down frequently, and the result will be absenteeism, job turnover and additional financial burden on the job holder.

In many ways, therefore, the whole idea of a move from the City of Denver to a white suburb can be viewed as a violation of federal regulations and as a racist or discriminatory action."

(e) We suggest that the Denver alternative be more accurately described as the "Clayton Trust Property" throughout the impact statement.

Here again, the Denver City Attorney's Office has all the necessary information with regard to the "Clayton Trust Property."

The City has appreciated this opportunity for review and comment and stands ready to provide additional information should that be requested. Also enclosed is our "Core City Report" which dwells at length on some of our own concerns.

Communicals,

William H. McNichols, Jr.

MAYOR

DENVER PLANNING OFFICE STAFF REVIEW COMMENTS, ON THE DRAFT REVISED ENVIRONMENTAL IMPACT STATEMENT PREPARED BY U.S. MINT FEBRUARY 27, 1974 FOR THE CONSTRUCTION OF A NEW UNITED STATES MINT AT DENVER, COLORADO

- p.3 Site A description should be changed from "Park Hill Golf Course" to "The Clayton Trust Property" and it should not be implied that this is a municipal park because it is not legally designated as a park. The property is leased by the city from the trust and sublet to an operator on a temporary basis.
- Either delete the reference to the Park Hill site or include a reference to the Lakewood site because both are located in the EPA designated enforcement zone for the lowering of auto-related air contaminants. The entire SMSA, which includes the City of Lakewood where the Federal Center is located, is the designated enforcement area because the air pollution problems are indistinguishable throughout the Denver Air Quality Control Region.
- p.5 Fifth Paragraph, third sentence says "This site is relatively unfavorable from a meteorological and air pollution point of view."

We would like to see listed the references for this statement since it is unsubstantiated by the facts known to the Planning Office. The meteorology and air pollution, according to our professional staff, are basin-wide phenomena. No data exists on the frequency of occurrence of air pollution episodes in the City of Lakewood versus the Clayton Trust area in the City of Denver. The meteorological differences, if any, are certainly unmeasured and unknown. It would be more accurate to state that "any new site is relatively unfavorable from the standpoint of causing an increase in automobile traffic".

p.6 Second Paragraph, re the railroad spur

We suggest that additional sentences be added about the problems and dangers of increasing the use of Lakewood's spur track. For example, the track crosses the busy 6th Avenue Freeway at grade. Furthermore, the motorists in Lakewood are not accustomed to stopping at these spur tracks at any of the scores of intersections within the City of Lakewood. It is also our understanding that the PRT route would utilize this same right-of-way in the future. It would be well to list the frequency of expected interruptions to the 6th Avenue Freeway traffic caused by locating the mint at the Federal Center.

p.6 Third Paragraph

Suggest that the 6th and Union Street (Simms) connection be described more fully. It is not a cloverleaf interchange, and it is frequently quite difficult to negotiate for travelers coming from the downtown area. Also, the existing bus service is much better at the Park Hill Clayton Trust site, than it is at the Federal Center.

## p.6 Sixth Paragraph

Suggest that the use of coal-fired steam boilers be mentioned here, and that the increased use of this central heating plant will likely add to the suspended particulate air pollution load in Lakewood. Also, additional expensive precipitators or other filters may have to be added to the plant.

## p.7 Third Paragraph, last sentence

The "central Denver area" is not the only place in the Metropolitan Denver Air Quality Control Region which experiences high industrial and vehicular pollution. The entire basin population and activity contributes to the problem, and the air pollutant cloud is evident in Arvada, Lakewood, Aurora, Northglenn, Thornton, Englewood, Commerce City, Westminster, Broomfield, Edgewater, Wheatridge, Littleton, and Federal Heights as well as Denver. The pollutant cloud ignores city and county boundaries.

p.8 "Concept Lakewood" is a draft plan for the City of Lakewood which has not been adopted and is now receiving criticism from local residents. There has been no official response from the citizens of Lakewood on the proposed mint site at the Federal Center.

## p.9 Section 31 Transportation

- The center of gravity figures for mint employees need further explanation. The EIS states that the center of gravity at the Park Hill site, over time, would be about two miles to the southwest towards the city core. However, this location is currently one of general out-migration, rather than a center for employee population. The EIS further states that the center for the Lakewood location, over time, would be four miles to the east of the site. We question how long "over time" refers to both sites. Moreover, will the predominately "blue collar" proportion of mint employees affect the location of this center? A map showing the present distribution of employees would be helpful in analyzing the expected employee center of gravity shift, the change in VMT (immediate and long-range), and the extent of disruption to present employee home locations that are envisioned by the EIS.
- II. The EIS uses 900 one-way (450 two-way) employee automobile trips for calculations of VMT. What is the source of that figure? Presently the percentage using auto = 285 = 62%

The projected percentage of auto  $\frac{450}{800}$  = 0.56 or 56%. What is the justification for use of this percentage?

- III. No increase is projected for visitors to the Mint. Is it known whether the 200 cars and/or the five buses visit the Mint specifically for the Mint or because of other tourist attractions in the CBD?
- p.11 Union Street is not currently under construction for expansion from two to six lanes. However, it is scheduled for widening to 4 lanes for through traffic plus additional turning lanes at some future date.

## p.14 First Paragraph

The school administration building air sampling station is located several miles from the Park Hill site and is quite probably not representative of the air quality at Park Hill. Park Hill (located on higher ground), may experience more favorable diluting winds and is located downwind of grassy, vegetated, residential land use. Reference our comments on page five.

## p.15 Middle Paragraph

You should mention here that the Lakewood site is also in the EPA and State demonstration areas, and that the additional VMT caused by mint traffic is substantially (50%) higher for the Lakewood site (3,780 vehicle miles for Clayton Trust property versus 5,580 vehicle miles for Lakewood).

## p.15 Last Paragraph

Air pollution sources are not concentrated in the Denver Central Business District. The worst pollution sources and levels are centered north of the city when winds are light and atmospheric conditions are stable. Pollutants from the Federal Center would mix with the basin air just as readily as would air from Park Hill.

## p.18 Second Paragraph

Moving the employee residence center from Denver to Lakewood only compounds the growing problems of the core city. At a time when we are trying to halt the white rush to the suburbs, the Federal Government should make some efforts to assist. Closely related to this issue is the problem of trying to integrate Denver's schools. If the mint site is moved to the City of Lakewood the core city will lose an estimated 700 Anglo school children, making Denver's racial balance efforts even more difficult. There should be more consistency in Federal agency actions. Reference the Denver Core City report prepared by the Planning Office.

## p.18 Third Paragraph

Denver has more space for the school aged children of the mint employees than does Lakewood. This existing classroom space should be utilized prior to further overloading suburban school systems, such as in Lakewood.

## p.18 Fourth Paragraph

A considerable detrimental economic loss would be experienced by Denver. The loss of 800 jobs represents a head tax loss, the city service industries would be losers, and the loss of these stable and middle income working people is unacceptable to the people of Denver. More study needs to be done on quantifying this projected economic impact by the Federal Agency involved in this

proposed relocation. Such factors as the impact on jobs in the construction industry, real estate, insurance, retail sales, and tax revenues should be examined in depth by the U.S. Mint. There are also economic multiplier effects which would result if the facility is moved out of Denver.

No study at all has been done on the social ramifications of these alternate proposals. Something should be said about the positive socio-economic impact of locating a major employer of 800 persons in the Park Hill neighborhood, where jobs are needed. The social studies by the U.S. Mint are very scanty.

## p.19 Paragraph E

The Federal Center site is located in a different city than Denver.

## p.22 Second Paragraph

Federal and State plans to reduce VMT include Lakewood as well as Park Hill.

Other comments generated in the Denver Planning Office staff review are these:

- a. Housing is available in shorter supply in the City of Lakewood.
- b. Federal law specifically identifies the City of Denver as the site for a U.S. Mint.
- c. The Clayton Trust Property at Park Hill is closer to these other major tourist uses:
  - Stapleton International Airport
  - City Park Zoo
  - Coliseum and Stock Show
  - Convention Center
  - Central Business District Hotel area
  - Sports Complex, Mile High Stadium

Thus, tourists would be travelling fewer vehicle miles to take in the U.S. Mint if it were located at the Clayton Trust Property site.

d. The Denver Planning Office earlier comments with regard to the Crescent Street Yards site for the U.S. Mint still stand.





# City and County of Denver

GITY AND COUNTY BUILDING · DENVER, GOLORADO · 80202

AREA CODE 303 297-2721

April 30, 1974

Mr. Frank Rhea Facilities Project Manager The Denver Mint 320 West Colfax Avenue Denver, Colorado 80204

Dear Mr. Rhea:

I have just finished reading what I understand is the rewrite of the Colorado Department of Health's position regarding the E.I.S./U. S. Mint in the Denver SMSA. Quite frankly I am delighted to find that at long last the various station samplings for air quality located throughout the Denver area apparently are available. Denver has not been made privy to this information although we have requested the information from the State on numerous occasions, but were always told that the reports had not been received from the laboratory in Carolina. We would appreciate receiving a complete report for all stations as soon as possible.

As far as the State's remarks regarding the Mint location, it should be pointed out that the annual geometric means cited in Mr. Kirkpatrick's letter to you of April 18, 1974, are those of 1970 and not of 1974—hardly an up-to-date scientific data analysis. I do note with interest "Attachment C" of Mr. Kirkpatrick's letter, i.e., The Summary of Suspended Particulate Data and the apparent 1973 projected reduction at the Hull Photo sampling station from that of 1970. I also note with considerable interest the rather significant almost 12-point jump in three years projected over the same time for the Lakewood site. Mr. Kirkpatrick's letter infers that VMT will be minimized by locating the Mint at the Federal Center, which seems to confuse if not contradict the above referenced data, nor does it speak to the tremendous growth experienced and anticipated out Sixth Avenue and on up into the surrounding foothills of the Denver S.M.S.A. Nor does it speak to the very real fact that most of the present Mint employees will travel more miles to reach the Federal Center than the Park Hill site.

We, too, have great concern for the Park Hill site and for all of Denver for that matter as far as Denver's falling within the "boundary" established by the State Health Department and the E.P.A. There is no scientific information that has been made available to the City to date which proves that Denver must cease and desist all growth or change, and that the suburban areas surrounding Denver can continue their uncontrollable sprawl east, north, south and west into the mountains themselves with no increase in

Mr. Frank Rhea April 30, 1974 Page Two

degregation to the quality of air in the Denver S.M.S.A.

It should also be pointed out that Mr. Kirkpatrick's letter indicates that the Federal Center will be served by some type of P.R.T. (non-polluting) while the Park Hill site would not. Since the projected P.R.T. system will not be completed until 1984—some 10 years from now—if ever, this seems somewhat presumptuous since there is considerable discussion going on in Congress today regarding the future funding of P.R.T. systems, as well as the tremendous efforts at funding going on across the nation by D.O.T. to supply cities with dollars to purchase rubber tire busses.

It is also interesting to note the ambient air standards established for 1977 and Mr. Kirkpatrick's apparent willingness to not condemn the Lakewood site for either its projected growth as he pointed out, or the apparent willingness to wait and see about the success or failure of the P.R.T. in 1984, yet gives little or no consideration to the total air quality of the entire region nor to where the present employees live, nor to the flexibility of the R.T.D.'s present and always expanding rubber tire bus system that could be made more viable for either site, nor to science's efforts to modify the internal combustion engine to reduce pollution by 1977. The latter seemingly is far more possible and positive than projections for 1984, especially since the Mint would be finished at approximately the same time.

In our view, this is just one more in a long list of efforts to speak of the problems of air pollution in Denver proper as if it were a vacuum rather than address the real issues for all concerned, the total SMSA. In our opinion a degregation of air quality would be experienced at the Arvada sampling station, already a point of one of the highest concentrations of pollutants in the entire Denver SMSA, by locating the Mint at the Federal Center due to the movement and collection of air currents moving south to north.

In closing, it should be pointed out that Mr. Kirkpatrick's letter to you of April 18, 1974, evidently was the second letter regarding this matter written to you by the State Health Department. We would appreciate having a copy of the first letter for our files since we understand the two letters were contradictory to each other.

Sincerely yours

John J. Wilder

Administrative Assistant

cc: Mayor W. H. McNichols, Jr.

Dr. Edward G. Dreyfus, Executive Director, Colo. Department of Health Robert D. Siek, MPH, Coordinator, Environmental Programs

J. Mullen, Denver Chamber of Commerce

Mr. Robert C. Rosenheim, Chairman, Mountain Plains Federal Regional Council

Mr. Alan Carter, Director, Denver Planning Office

Mr. George Cerrone, Assistant City Attorney

1ES L. OGILVIE Secretary-Manager



# Board of Water Commissioners

144 West Colfax Avenue Denver, Colorado 80202 Phone 222-5511
COMMISSIONERS

WILLIAM G. TEMPLE, President JOHN A. YELENICK, 1st Vice-President ANDREW HORAN, JR. CHARLES F. BRANNAN RICHARD S. SHANNON, JR.

March 20, 1974

Mr. Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Mr. Rhea:

Thank you for sending the Department a copy of the Draft Revised Environmental Impact Statement for the new Denver Mint. I appreciate the opportunity to review the Impact Statement and offer comments to you concerning water service to the proposed mint sites.

I would recommend that you contact the Water Department's Marketing Section at the earliest possible date. This section will be able to supply you with information on policy and procedure for relocating and/or extending water mains, arranging for taps from mains, and the potential water supply available at the two proposed sites.

The Statement alludes that water supply is available to both sites. This is correct. However, since we do not have the flow rates and pressures necessary to supply the new mint, I cannot comment on the adequacy of the existing distribution system to serve both locations.

The estimated quantity of water necessary for both industrial and domestic use, the quality and quantity of return flow to the sanitary sewer system are of major concern to this agency.

Please be assured that the Water Department will cooperate with the Department of Treasury during the relocation of the mint to either site. The requested information will be necessary to provide water service to you.

IES L. OGILVIE Secretary-Manager



March 20, 1974

## Board of Water Commissioners

144 West Colfax Avenue Denver, Colorado 80202 Phone 222-5511
COMMISSIONERS

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The estimated quantity of water necessary for both industrial and domestic use, the quality and quantity of return flow to the sanitary sewer system are of major concern to this agency.

Please be assured that the Water Department will cooperate with the Department of Treasury during the relocation of the mint to either site. The requested information will be necessary to provide water service to you.

March 20, 1974 Mr. Frank Rhea, Facilities Proj. Mgr. Denver Mint

If I can supply any additional information, please contact this Department at any time.

Sincerely,

J. L. Ogilvie

Manager

JLO/sn



Denver Chamber of Commerce

April 8, 1974

Mr. Frank W. Rhea Denver Mint 320 West Colfax Avenue Denver, Colorado 80204

Dear Frank:

In response to the draft Environmental Impact Statement dated February 27, 1974 on the construction of the new United States Mint in Denver, Colorado, I am forwarding for your use and information a position statement developed by the Denver Chamber of Commerce and adopted by our Board of Directors on March 19, 1974.

The Chamber feels very strongly that the Mint should be located at the Park Hill site and that the Environmental Impact Statement is perhaps unduly negative in some of its comments concerning the Park Hill location. This is especially true with respect to the comments concerning traffic congestion and highway access at the Park Hill site. We believe that the closer study of the two sites will reveal that the Park Hill site has as much, if not more to offer in those areas than the other proposed alternative.

I hope that you will give this position statement every consideration in making your report to Mrs. Brooks concerning the decision on the relocation of the United States Mint.

Sincerely,

Rex Jennings President

emme

RJ: cd

Enclosure

# DENVER CHAMBER OF COMMERCE POSITION STATEMENT RELOCATION OF THE UNITED STATES MINT March 14, 1974

The Denver Chamber of Commerce, after an examination of the issues, recommends relocation of the United States Mint to the northwest corner of Park Hill Golf Course. The need to relocate this facility offers the Bureau of the Mint a rare opportunity to stabilize a model racially integrated community, to reverse the trends of urban sprawl and flight from the central city and obtain an excellent site for its operations. The Park Hill site has easy access, available housing, excellent transportation facilities, a pleasant environment with a commanding view of the mountains, and an enthusiastic receptive community. Its location in the City of Denver is important from a historical and traditional viewpoint.

The Chamber feels that the economic stabilization, aesthetic qualities and prestige of the Mint's physical location in the community are the main factors to be considered in choosing between the alternate sites. These factors clearly favor Park Hill. The community has a potential work force for the 400 new jobs that will be created after completion and the many employment opportunities available during the construction period. It's struggling retail and service businesses will be aided by the influx of money and people to the area. The presence of the dignified Mint building near the green, open space of the Park Hill Golf Course will be a source of pride for residents of the area.

The environmental impact of relocating to the Park Hill site would be minimal and far overshadowed by the benefits of choosing that site. Based on both the draft Environmental Impact Statement and studies done by the State Air Pollution Control Division, location of the Mint at Park Hill would result in less net additional vehicle miles traveled (VMT) than any other site. Furthermore, the Park Hill area is fully developed and unlikely to face the increased congestion and demands for services resulting from rapid population growth in suburban counties. The Chamber is confident that federal and state strategies for reducing air pollution and congestion in Denver and the Denver Air Quality Control Region will meet with success in the coming years and dampen the already small environmental impact of relocating the Mint.

The United States Mint has long been identified with Denver. Original plans to relocate the Mint on the South Platte River, which the Chamber supported, were designed to maintain that identification and provide an economic and aesthetic boost to an area of the central city. By locating the Mint at Park Hill, those goals can still be achieved. The Chamber urges the Bureau of the Mint to locate the new Mint at the proposed Park Hill site.





1580 YARROW STREET LAKEWOOD, COLORADO 80215 TELEPHONE 233-8371

April 16, 1974

Mr. Frank Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 W. Colfax Avenue
Denver, CO 80204

Dear Mr. Rhea:

Since receiving the Environmental Impact Statement on two possible sites for relocation of the Denver Mint, the City of Lakewood has followed what we feel is a complete review procedure in order to respond adequately to your request for comments on this subject. We invited comments from the residents of our community to be expressed at the City Council meeting of April 8, 1974. In order that people could be properly apprised of the contents of the EIS, copies were made available at city hall, the library, and our community center.

At the City Council meeting when public comments were solicited, nine citizens appeared. Their comments were generally favorable, with some concern expressed about traffic and the need to properly deal with the impact additional vehicles would have on the streets around the Federal Center.

On April 11, 1974, a report from the City staff was submitted to City Council containing the results of comments from various City departments about the impact of relocating the Mint to the proposed Federal Center site. The staff comments were reviewed with the City Council and generally were agreed as adequately reflecting the City's concerns on specific issues in the Impact Statement.

To: Mr. Frank Rhea April 16, 1974

On April 15, 1974, at a special Council meeting, the City Council passed a resolution supporting the relocation of the Mint at the Federal Center site and requested that additional studies be performed on the subjects of traffic, transportation, and availability of low and moderate income housing, should the Federal Center site be selected. A copy of the resolution passed by the City Council is attached to this letter. The resolution references the memorandum from the City staff and, therefore, is included as our response to your request for comments on the relocation of the Mint. I believe that the resolution attached hereto adequately expresses the position of the City of Lakewood on this subject.

Thank you for the opportunity to comment on this important matter. On behalf of the City of Lakewood, we would welcome the opportunity of working with officials of the General Services Administration and the Bureau of the Mint in order to provide any further information necessary on this project.

Yours truly,

Walter Kane

City Administrator

WK/cmp att.

cc: Mayor James J. Richey
City Council Members
Michael Norton, Regional Director, GSA

## CERTIFICATION

STATE OF COLORADO )
COUNTY OF JEFFERSON) SS
CITY OF LAKEWOOD )
I, Jean L. Rogers, City Clerk of the City of
Lakewood, Colorado, do hereby certify that the attached is a true
and correct copy of the RESOLUTION 74-111, A RESOLUTION
REGARDING THE RESPONSE OF THE CITY OF LAKEWOOD TO DRAFT REVISED
ENVIRONMENTAL IMPACT STATEMENT WITH RESPECT TO THE CONSTRUCTION
OF A NEW UNITED STATES MINT AT THE DENVER FEDERAL CENTER SITE,
PASSED BY COUNCIL BY A VOTE OF 10 FOR AND O AGAINST AT A
SPECIAL MEETING ON APRIL 15, 1974.
as the same remains on file and record in the office of the City
Clerk.
WITNESS my hand and seal of said City of Lake-
wood, Colorado, this 16 day of April, 1974.

Saturia & Holated, hoperty City Clerk City of Lakewood, Colorado

(SEAL)

## A RESOLUTION

REGARDING THE RESPONSE OF THE CITY OF LAKEWOOD TO DRAFT REVISED ENVIRONMENTAL IMPACT STATEMENT WITH RESPECT TO THE CONSTRUCTION OF A NEW UNITED STATES MINT AT THE DENVER FEDERAL CENTER SITE.

WHEREAS, a Draft Revised Environmental Impact Statement has been prepared under date of February 27, 1974, by the Bureau of the Mint, Department of the Treasury, Denver Mint, relating to the construction of a new United States Mint at either the Park Hill Golf Course or the Denver Federal Center; and

WHEREAS, said Draft Environmental Impact Statement and the proposed Federal Center site location have been reviewed by the City Council of the City of Lakewood and the City of Lakewood staff, and particularly the Departments of Community Services and Community Development; and the City Council has received reports of such staff review, has conducted a Public Hearing April 8, 1974, at which public comments were received, has received and considered comments directed to the Council and individual members thereof by individuals and organizations within the City; and the City Council has further reviewed said Draft Environmental Impact Statement and the proposed Federal Center site at a study session of the City Council April 11, 1974, and at a Special Meeting of the City Council held April 15, 1974.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lakewood, Colorado, that:

SECTION 1. The City Administrator be and is hereby authorized and directed to respond to the aforesaid Draft Revised Environmental Impact Statement relating to the location of the Mint at the proposed Denver Federal Center site by communicating to the Bureau of the Mint and the Department of the Treasury the official position of the City of Lakewood, hereby adopted, that the City favors and endorses the location of the Mint at the Federal Center site; and that the City requests further and additional environmental impact studies of traffic, public transportation and housing, to the end that potential problems which might otherwise arise in such areas by reason of the location of the Mint at the Federal Center site may be addressed and solved as a part of the process of the location of the Mint at such site.

SECTION 2. The City Administrator be and is further authorized and directed to transmit to the Bureau of the Mint, Department of the Treasury, a certified copy of this Resolution, together with a copy of a memorandum dated April 8, 1974, from Gary E. Latham, Director of the Department of Community Development, and Planning Director of the City of Lakewood, to City Administrator Walter Kane, a true copy of which is attached to this Resolution as Exhibit "A" and made a part hereof by this reference.

SECTION 3. The Mayor and City Administrator and all other officers and employees of the City of Lakewood are hereby authorized and directed to continue to cooperate with and furnish such assistance to the Bureau of the Mint and Department of the Treasury as may be necessary or desirable to enable such agencies to obtain such additional information as may be required for the

purpose of preparing additional, revised or final environmental impact statements relating to the location of the Mint at the Denver Federal Center site, and to assist and cooperate with the Bureau of the Mint and Department of the Treasury, and such other agencies as may be involved, in the solution of potential problems which might otherwise arise in connection with the location of the Mint at the Denver Federal Center site.

INTRODUCED, READ AND ADOPTED at a Special Meeting of the City Council on April 15, 1974, at 7 o'clock p.m. at Lakewood City Hall, 1580 Yarrow Street, Lakewood, Colorado.

Betty Miler, Mayor Pro Ten

ATTEST:

Patricia K. Kolstad, Deputy City Clerk



#### MEMORANDUM

April 8, 1974

To: Walter Kane, City Administrator

From: Gary E. Latham, Director, Department of Community Development

Subject: Analysis of the Draft Environmental Impact Statement - Denver Mint

During the course of the last two weeks the Department of Community Development has acted as coordinator for staff review of the referred Impact Statement. Upon receipt of individual Department or Division comments a review has been made by the Community Improvement Program Management Group. Following are comments as developed from this review:

- 1. It is the consensus that the revised draft Environmental Impact Statement, prepared by the Bureau of the Mint, dated February 27, 1974, has greatly satisfied the concerns of City staff that had previously been expresse upon review of an earlier draft. To this degree we commend the Treasury Department for examining previous deficiencies in their outline and including items to cover these deficiencies.
- 2. Staff review indicates virtually no disagreement with the statements made in the Environmental Impact Statement as it pertains to the Federal Center location being proposed. (I want to emphasize that we did not analyze the Park Hill site within the City and County of Denver, and in no way made our analysis on the basis of trying to prove or disprove the desirability of one site over the other. From a political standpoint we recognize that considerable emphasis will be placed on such comparison but feel that staff review should limit itself to a purely professional analysis of the effect this Environmental Impact Statement portrays the Federal Center site having on the City of Lakewood.)
- 3. Based upon the above comments, the staff feels that any adverse impacts on the City of Lakewood are of a nature that can be overcome during the development process. Many, in fact, are being overcome through other development in the area. The establishment of such a facility, as proposed, would constitute implementation of anticipated future development in this area as planned, rather than being contrary to such planning. Certainly, this type of facility would be in conformance to the long range plans of the City of Lakewood, both existing and proposed, as well as fitting into the long range plan for future land use as established by the Denver Regional Council of Governments.

- 4. As indicated, there are concerns that staff has expressed a need to see resolved. It is felt that answers to many of these concerns may very easily be made in the preparation of the final Environmental Impact Statement. Many others would certainly be the subject of continuous liaison, between the City of Lakewood and the Federal Government, as detailed site planning for this facility is undertaken, assuming the Federal Center site is ultimately chosen for the Mint. These concerns are as follows:
  - a. The Impact Statement does not go into much detail as to the relationship of land uses surrounding this property to the Mint itself. It would be our opinion that development already in existence, or under planning, will provide a compatible relationship at this location.
  - b. Although it is difficult to do so, we feel that some additional projections need to be made as to the effect of this facility on housing in the City of Lakewood, and particularly whether or not there might be some potential of coordination as it pertains to providing additional low or moderate income housing as may be needed.
  - c. Staff feels certain that the Mint will have a tremendous benefit to the City of Lakewood economically. However, very little is expressed in the Environmental Impact Statement as to projected economic effect of a relocation to this site. This factor pertains to tourist expenditures as well as additional employment.
  - d. It is felt that projections of volume and timing of future traffic to and from the Mint are accurate. It is suggested, however, that the Federal Government coordinate with the City of Lakewood as to evaluating general traffic circulation patterns throughout the Federal Center in total, as they affect peripheral streets.
  - e. Through verbal discussion with Treasury officials, we have been given indication that additional impact on railroad activity will be extremely minimal. However, the Environmental Impact Statement does not specifically relate to the numbers or frequency of incoming rail cars to the Mint to satisfy its need for service. It is not anticipated that additional trains, or trains of substantial size, would be involved, however, this is not detailed.

- f. Factors relating to air quality appear to be entirely satisfied. However, some comment is made to the effect that a certain amount of steam and/or fog might be created as a by-product of the operation of the Mint. This subject of steam and fog is not elaborated upon to indicate whether or not they might be of sufficient quantity to create traffic impediments from the standpoint of either poor vision or icing of adjacent roads in adverse weather. This, of course, would be a concern at either proposed Mint location.
- g. The impact statement indicates that interior noise will be reduced to meet OSHA standards. Certainly this would satisfy our concern relative to noise. However, no data is given to evaluate how much problem there is in meeting such standards based upon noise factors in the existing Mint. In other words, is this a major concern to be met, or something which can be done very simply?
- h. We would hope that the Treasury Department would include within its Environmental Impact Statement a commitment that exterior noise standards, as developed by the City of Lakewood, will be met.
- i. No detail is given as to the intent of meeting concerns relative to controlling fugitive dust during construction. In that the Environmental Protection Agency is greatly concerned with this problem, we can assume that the Treasury Department intends to consider this problem.
- j. Indication is given that water used in manufacture will be recycled. We would hope that the Treasury Department would coordinate with the City of Lakewood in design of overflow or discharge facilities should occasion arise that such water must be discharged in quantity.
- k. The staff feels that elimination of solid waste will become an increasing concern to the metro area. Although the Impact Statement indicates the intention to recycle these wastes, there is no indication of either anticipated volume, or method of disposal, of those wastes considered non-recyclable. It would be suggested that the Treasury Department coordinate with the City of Lakewood in development of methodology to minimize this problem.

1. It would be suggested that strong consideration be given, during design of the proposed facility, to reduce the need for energy consumption. We are primarily concerned with need for heating and air conditioning being minimized, to the degree possible, by proper insulating methods which are being advocated for structures of all types throughout the City of Lakewood.

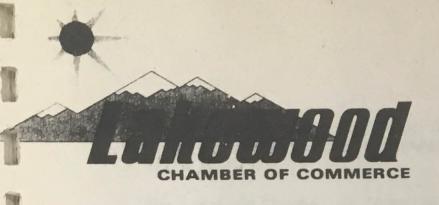
As you can see from these comments, many of our concerns could be met with provision of additional information. Additionally, many concerns relate to ultimate design and construction rather than establishment of a site.

In summary I would reiterate that it is staff position that minimal adverse impact will be created by this facility, and it would appear that proper concern be given to the above factors could likely eliminate them completely.

If you have further questions, or desire clarification of any of these comments, I would certainly coordinate with staff or P.M.G. in responding.

Gary E. Latham

GEL:sb



55 Wadsworth Blvd. . Lakewood, Colorado 80226 . Phone (303) 233-5555

April 15, 1974

Mr. Frank W. Rhea Denver Mint 320 W. Colfax Ave Denver, Colcrado 80204

Dear Mr. Rhea:

The Lakewood Chamber of Commerce has received a copy of the Environmental Impact Statement on the proposed re-location of the Denver Mint. This document has been thoroughly studied by a special Chamber Task Force. The comments contained in this letter have been prepared by the Task Force and approved by our Board of Directors.

Our organization, as the following statement indicates, fully supports the re-location of the Mint to the Federal Center, and we pledge our full cooperation to you in making such a move. We represent more than 625 business and professional firms in this area.

The attached statement was prepared in response to the Environmental Impact Statement, with comments added regarding the potential social and economic impact on the community. It was presented at a meeting of the Lakewood City Council, but we also wish to have it recorded among the statements you are collecting on this issue.

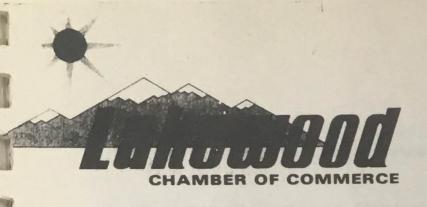
Thank you for your consideration.

Sincerely,

John C. Bowers

Executive Vice President

JCB/as Encl.



55 Wadsworth Blvd. • Lakewood, Colorado 80226 • Phone (303) 233-5555

April 15, 1974

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Thank you for your consideration.

Sincerely,

John C. Bowers

Executive Vice President

JCB/as Encl.

## POLICY STATEMENT - UNITED STATES MINT LOCATION LAKEWOOD CHAMBER OF COMMERCE

The Lakewood Chamber of Commerce, through its U. S. Mint Task Force, has carefully reviewed all available information regarding the possible location of the United States Mint at the Federal Center in Lakewood.

It is the opinion of the Task Force and the Chamber's Board of Directors that the positive factors involved in relocating the Mint in Lakewood far outweigh the negative factors.

The Environmental Impact Statement prepared by the Bureau of the Mint indicates that this location would have little or no adverse impact on the environment of our community. The statement makes the following points:

- Locating the Mint in the Federal Center would be consistent with land use plans of the City of Lakewood and the Denver Regional Council of Governments. We quote from page 8, "It is believed, on balance, that locating the new Mint at this proposed site would be a beneficial land use in conformance with plans, policies and controls for the affected area.
- II. Mint employee traffic generally would be counterdirectional to the mass of rush-hour traffic movements, which would result in a minimum impact on traffic congestion in the area. Widening of Union Street to six lanes should result in an overall decrease in peak-hour congestion in that area.
- The addition of 800 Mint employees to the already existing employment base of over 6,000 people in the Federal Center will justify early development of improved public bus routes to serve the area, which should result in a decreased use of private automobiles. The location of a PRT station near the Mint site will also make public transit more attractive to Mint employees and visitors. The statement draws the conclusion that, and we quote, "Although the net Vehicle Miles traveled caused by Mint traffic for the Federal Center site probably would be greater than for Park Hill, it is considered that the net adverse impact on air quality would be less with the new Mint located at the Federal Center."
- IV. The Federal Center central heating plant has sufficient capacity available to serve the proposed Mint. At Park Hill, it would be necessary to construct a heating plant for the new Mint only. This would result in an additional stationary source of pollution in an area where the air pollution level is already high, as well as adding substantially to the cost of the project.

- V. Because the relocation of the Mint to the Federal Center would be a relatively short move, and because most new employees would come from the existing metro area work force base, there would not be a sudden influx of new residents into the Lakewood area. In all probability, the effects of this move would have no noticeable probability, the growth of the city. The predicted addition of impact upon the growth of the city. The predicted addition of only 150 pupils to the school system seems adequate testimony to this fact.
- VI. The Federal Center site is already owned by the Federal Government, so no land would be taken from the public tax rolls.
- VII. Tourist traffic would occur between 9 a.m. and 3 p.m. daily, and would not affect peak-hour traffic congestion. Because of its location between Denver and the mountains, Lakewood streets presently location between tourist traffic. Location of the Mint here carry a high volume of tourist traffic. Location of the Mint here in all probability would not significantly increase this traffic. It would, however, cause a certain percentage of it to stop here with some positive effect on the city's economy.
- VIII. The new Mint will not become fully operational until 1980. This provides sufficient time for federal, state, and local agencies to acequately plan and prepare for the impact that this facility will have on our city.

Our organization feels that the environmental impact statement states quite clearly that location of the U. S. Mint in Lakewood would cause no significant ill-effect on the environment of our community.

However, causing "no significant ill-effect on the environment of our community" is not reason enough alone to support the selection of Lakewood as the site for the Mint. We believe the relocation of the U. S. Mint to Lakewood would be a great asset to our city. We think the benefits of having the Mint here should be considered by the citizens of Lakewood and the governing body of the city.

Since the incorporation of Lakewood In 1969, many of us have struggled to develop a sense of community identity and community pride. Community pride would combat the apathy we have experienced in local elections and on local issues, and we believe it would help make our city a better place to live.

We think that being one of only three cities in the United States to have a U. S. Mint located within its boundaries would be good reason for community pride, and could help create a distinct identity for our city.

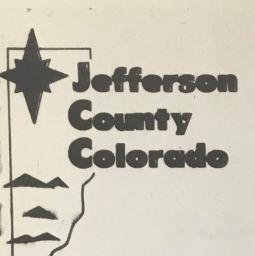
The U. S. Mint is the top tourist attraction in the metro area, and second in the state only to the Air Force Academy. We feel Lakewood residents would take great pride in their city being the home of the Mint, and it would certainly make people outside the city aware of Lakewood, Colorado.

While the Mint would create a minimum demand for municipal services, it would result in considerable additional revenue to the city.

It is logical to assume that some portion of the Mint's \$5 million annual payroll will be spent in Lakewood. Two cents of each dollar so spent would go into the city treasury as sales tax, and would lessen the burden on the Lakewood Homeowner-taxpayer by that much. An additional one-half cent would go into the County's Open Space Acquisition Fund.

The same holds true for each new tourist dollar that would be spent here. Regardless of where within the city the payroll or tourist dollar is spent, every resident shares in the proceeds through the sales tax collected. This will help our city government keep its property tax mill levy low.

In summary, it is our position that relocating the Mint in Lakewood would prove highly beneficial to our community. We encourage the City Council to fully support the proposed Federal Center Mint site, and pledge our cooperation in making this proposal become a reality.



## BOARD OF COUNTY COMMISSIONERS

HAL ANDERSON District No. 1 Arvada

BOB CLEMENT District No. 2 Lakewood

> JACK L. TREZISE District No. 3 Golden

April 19, 1974

Mr. Walter Kane
City Administrator
City of Lakewood
1580 Yarrow
Lakewood, Colorado 80215

Dear Walt:

Attached is a Resolution passed by the Board of County Commissioners in support of the Denver Mint being built on the Federal Center property at 6th & Union.

It is the hope of the Board of County Commissioners that this Resolution will be of benefit to the City of Lakewood in their efforts to get the approval of the new Denver Mint.

If we can be of any further assistance to you, do not hesitate to contact this office.

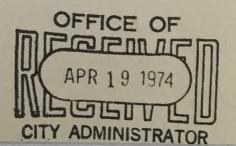
Very truly yours,

BOARD OF COUNTY COMMISSIONERS
JEFFERSON COUNTY, COLORADO

By: Karl hall Skains
Karl G. Williams

County Manager

KGW/jt attachment



## BEFORE THE BOARD OF COUNTY COMMISSIONERS

## OF THE COUNTY OF JEFFERSON

#### STATE OF COLORADO

#### RESOLUTION NO. CC74-51

RE: Relocation of United States Mint, Denver, Colorado.

WHEREAS, the Draft Revised Environmental Impact Statement has been made under the date of February 27, 1974, by the Bureau of the Mint, Department of the Treasury, Denver Mint, relating to the construction of a new United States Mint at either the Park Hill Golf Course or the Denver Federal Center; and

WHEREAS, the Board of County Commissioners has reviewed the Revised Environmental Impact Statement; and

WHEREAS, the Jefferson County Planning staff has also reviewed the Revised Draft of the Environmental Impact Statement for the locations considered for the new United States Mint; and

WHEREAS, after review by both the Board of County Commissioners and the Jefferson County Planning staff, we find that the proposed location on the Federal Center property is in accord with the City of Lakewood Master Plan and also the Denver Regional Council of Governments Master Plan; and

WHEREAS, it is the feeling of the Board of County Commissioners that due to the location of the Federal Center and the availability of ground at no cost to the Federal Government, due to the fact that it is on government property, and no basic impact significant that would cause any particular problem as to this location as far as environmental conditions;

NOW, THEREFORE, BE IT RESOLVED that the Board of County Commissioners of Jefferson County, Colorado, supports the Resolution of the City of Lakewood in the relocating of the new United States Mint at the location of the Federal Center at 6th Avenue and Union; and

BE IT FURTHER RESOLVED that the Board of County Commissioners also supports by this Resolution the relocation of the new Denver Mint at the location of the Federal Center; and

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to each of the members of the Colorado delegation in the United States Congress.

Mr. Commissioner Anderson seconded the adoption of the foregoing Resolution. The roll having been called, the vote was as follows:

Mr. Commissioner Jack L. Trezise - "Aye"

Mr. Commissioner Hal Anderson - "Aye"

Mr. Commissioner Robert F. Clement, Chairman - "Aye"

The Resolution was adopted by unanimous vote of the Board of County Commissioners of the County of Jefferson, Colorado.

## CERTIFICATION

STATE OF COLORADO )
) ss:
COUNTY OF JEFFERSON )

I, Norman C. Allen, County Clerk and Recorder and Clerk to the Board of County Commissioners of the County of Jefferson, Colorado, certify that the preceding is a true copy of a resolution adopted at a special meeting of said Board of County Commissioners held on April 19, 1974.

County Clerk and Recorder and

Clerk to the Board

SFAI

## LEAGUE OF WOMEN VOTERS OF DENVER

2200 W. ALAMEDA AVE. NO. 15 DENVER, COLORADO 80223 PHONE 935-3581

April 19, 1974

Frank W. Rhea
Bureau of the Mint
Facilities Project Manager
Denver Mint
320 West Colfax Avenue
Denver, Colorado 80204

Dear Colonel Rhea:

Thank you for the opportunity to review the Environmental Impact draft statement for the proposed new Denver Mint. Our critique of this document will concentrate on three areas of impact: the core city, the Park Hill community and the physical environmental factors relating to pollution and transportation.

The Federal Government, through its various agencies, has been striving to save the core cities of America. The removal of the U.S. Mint from Denver to the suburbs would deal a severe psychological blow to Denver. At a time when the city is struggling with school integration problems, the potential loss of Mint employee children to overcrowded Lakewood schools undermines the goal of equal educational opportunity for all. It would be distressing for the Federal Government to fulfill prophecies of "white flight to the suburbs." Denver is currently engaged in a survival struggle over certain recent annexations which some suburban communities, Lakewood included, are protesting. The Clayton Trust location is part of the Greater Park Hill community, a thriving integrated neighborhood where people of varied ethnic and socio-economic backgrounds live and work togeather. The U.S. Mint, as a highly visible representative of the Federal Government, could show that a city with this kind of community is favored by federal installations for providing equal opportunities in housing, employment and education.

The positive influence of locating the U.S. Mint in Park Hill would instigate both an upgrading of present commercial enterprise in the area and be an incentive for new business. In addition, the relocation of the golf course along the eastern boundary of the present site would be beneficial to the adjacent residential area. Housing in the full range of size and price is available for present and future Mint employees without prejudice as to ethnic or socio-economic group. Altogether, we think the U.S. Mint would be an asset to Park Hill and that the Federal Government could lend its considerable positive influence to both an integrated community and a city striving to provide for all of its citizens.

A study of the environmental impact of choosing the Park Hill site shows that transportation to this location is already adequate with improvements projected if the U.S. Mint is constructed there. Rail service is excellent; bus service is present on Colorado Boulevard and would undoubtedly be expanded; auto access is excellent from 1-70 and Colorado Boulevard. The

proposed PRT to the Federal Center is many years in the future while improved bus service to the Clayton Trust site could be implemented quite rapidly along existing routes.

We take issue with the air quality testing sample. We are not experts in the field, but we do question whether air samples taken downtown where pollutants are trapped in canyons of tall buildings are comparable to the open area at the Park Hill Golf Course. Certainly the number of auto miles travelled by employees would be greater to Lakewood than to Park Hill until a shift in employee home locations occurred, indeed if such a shift could take place to relatively expensive housing in Lakewood.

The dignity of the Clayton Trust site is most suitable for the Mint. The high ground ensures splendid views of a building from several approaches and offers magnificent mountain vistas from the site itself. The presence of airport-related tourist facilities nearby indicates that a prestigious building and the fine open vistas would not be missed by visitors to the area. Indeed, tourism in the city and the state could be significantly aided by such a facility.

In closing, we have written to Mrs. Brooks asking that public hearings be held to explore the merits of both sites. We would like to solicit your support in this effort. Thank you again for including the League of Women Voters of Denver in your request for comments on the Environmental Impact Statement.

Sincerely,

Mr. Lorie Young

Mrs. Lorie Young, President

Margaret Walther Walthor

Sandra Drew

Sandra Drew

Co-Chairmen, Renewal of the City
Committee

cc: Mayor McNichols
Mrs. Brooks
Robert Koch, Council President



Frank W. Rhea
Facilities Project Manager
Denver United States Mint
320 W. Colfax
Denver, Colorado 80204

Dear Mr. Rhea,

We are pleased to have been asked to comment on the location of the new Denver Mint.

As the attached statement shows, Greater Park Hill Community, Inc., is unequivocally in favor of locating the U.S. Mint on the Park Hill Golf Course.

Out comments take issue with many points in the Draft Revised Environmental Impact Statement on Construction of New United States Mint, Denver, Colorado, issued by your office and dated February 27, 1974, (hereafter EIS). Some of these points involve issues of fact, others involve issues of judgment. We have organized our comments into five classes which may be summarized as follows:

- The air pollution measurements cited are not the best available and all but irrelevant to the Park Hill location; and the air pollution impact question is far more complex than the EIS suggests.
- 2. The commuter Vehicle Miles Traveled, (hereafter VMT) model is grossly inadequate in that it fails to allow for substantially Lower Housing density in Lakewood than in Denver. This factor alone could cause the increase in VMT associated with moving to Lakewood to be almost double that associated with moving to Park Hill, and hence, greater air pollution impact. The Lakewood location would lead to at least 4860 additional VMT and Park Hill, 2790.
  - 3. The VMT model is further inadequate in that it fails to allow for the location of minority groups in Denver. The lack of minority residents in Lakewood might either substantially increase VMT or destroy the Mint's Affirmative Action Plan if the Mint moves to Lakewood.
  - 4. The EIS implies that schools and transportation are marginally more adequate in Jefferson County than in Denver, when, on balance, the reverse is true.
- 5. Most important, the EIS ignores the opportunity offered by the Mint relocation. This is the opportunity to provide a ringing federal endorsement of an integrated community and to act as a catalyst for further environmental improvement in Park Hill. While supporting the core city of Denver, locating the Mint in Park Hill can help this unique community in its efforts to stabilize and rejuvenate itself, and to prove to the nation that an integrated community can work.

We thank you for the opportunity to comment on the EIS and we look forward to the chance to welcome you formally to our community at the dedication of the new Denver Mint.

Sincerely,

Louis Jones Chairman/GPHC John Morris Physical Planner Jules Mondschein Chairman/Planning Committee

# GREATER PARK HILL COMMUNITY, INC.

Comments on

CONSTRUCTION OF NEW

UNITED STATES MINT

DENVER, COLORADO

# DRAFT REVISED ENVIRONMENTAL IMPACT STATEMENT

Greater Park Hill Community, Inc. has been requested to comment on the Environmental Impact Statement for the New Denver Mint dated February 27, 1974 (heremental Impact Statement for the New Denver Mint dated February 27, 1974 (hereafter EIS). We have organized our comments into 5 classes which may be summarized as follows:

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- I. A major distinction that the EIS makes between the Park Hill site and the Lakewood site is that the air is more polluted near the Park Hill site and therefore estimation of 3780 additional Vehicle Miles Traveled (VMT) per day would have a greater adverse impact than 5580 additional VMT in Lakewood. This claim is insufficiently documented and inaccurate for the following reasons:
  - a. The measurements given are for 1970 and cover suspended particulates only, omitting both Carbon Monoxide and Hydrocarbons. There is no tight relationship between these classes of air pollution and all most be reduced, not just one.

- b. The Denver Station is at 414 Tremont Street, 2 blocks from the old mint site, almost in the center of downtown Denver, but almost 100 feet lower (pollution flows downhill) and 4 miles away from the Park Hill site. Given that Park Hill is a single family residential district with relatively little traffic, the readings published in the EIS are all but irrelevant. A measuring station does exist at 5105 E. 38th Avenue which would at least give a better estimate of particulate pollution than the downtown site.
- c. The major pollution source associated with the Mint location is not the Mint itself, but the traffic to the Mint. Hence measurements at the site of the new Mint are only part of the story. We can expect the primary route to the Lakewood site to be along the Sixth Avenue Freeway from Denver to the Federal Center. Similarly, the primary route to the Park Hill site will be Colorado Boulevard from Colfax to the Park Hill site. It is hard to model the impact of this air pollution on the Denver area.

Both routes have one end about two miles from the 3. Platte River and the other end 4-6 miles from the River. (The S. Platte River valley often has the highest air pollution courts in Denver.) The average distance from the River to the Park Hill commuting route is perhaps one mile less than the distance from the River to the Lakewood route, but the Lakewood route is upwind from the River valley. Hence, locating in Lakewood may or may not damage the air condition in Lakewood, but it will add to air pollution in the band of high pollution along the S. Platte River. In contrast, prevailing winds would tend to blow air pollution from the Park Hill route into the Rocky Mountain Arsenal and out of the urban area.

- d. Moving to the suburban (Lakewood) site in order to escape central city air pollution is the decision that private firms have been making for years. The result of such decisions is today's situation with pollution covering vast basins and threats of federal action if we don't clean up. But we can't clean up because centers of employment are too scattered to be well served by public transportation. Commutation is complicated for those who cannot afford or do not choose to live in the particular suburb to which their employer flees. In this connection, the EIS notes that only 39 of 461 employees now choose to live in Lakewood. This, despite the fact that Lakewood is the most convenient suburb to the current Mint site. The additional commuting imposed on all but a few of the Mint employees will lead to additional air pollution in the metropolitan area. It is just this kind of decision that has made Denver one of the six most polluted cities in the U.S.
- II. The model used for estimating VMT fails to include the major variable of available housing units. This model is specified on p. 9. According to the EIS, 50 per cent of current employees reside within a 5-mile radius of the existing mint, and this would remain the case for the new mint (except that the center of residence would shi-t only one-half the distance to the new mint.) This model fails to note that the location of people is related to the availability of housing units; in a lower density area, people will spread out farther. A five-mile radius circle centered on the existing mint includes almost 2/3 of the area of Denver and half of Lakewood. This area contains houses (about 400,000 people) or 33% of the population of the 1970 Standard Metropolitan Statistical Area (SMSA). A move to Park Hill would leave 300,000 people within five miles of the site or 25% of

the SMSA. A move to the Lakewood site would reduce the population within 5 miles to about 170,000 or 14% of the SMSA. If people are distributed over housing units rather than square miles, this difference in density alone is sufficient to increase commuter VMT substantially at the Lakewood site over the Park Hill site.

If the average commuting distance to the old Mint is 6 miles,

The expected average distance to any new site is

6 mi. x old site pop. density new site pop. density

The average distance to Park Hill, based on housing density, is

 $6 \times \frac{400,000}{300,000} = 6.9 \text{ mi.}$ 

The average distance to Lakewood based on housing density, is

 $6 \times \frac{400,000}{170,000} = 9.2 \text{ mi}.$ 

These trip lengths combined with the EIS assumptions about number of trips to the New Mint leads to:

(Trip length x no. trips to New Mint) - Current VMT = Additional VMT

Additional VMT to Park Hill site:

 $(6.9 \times 900) - 3420 = 2790$ 

Additional VMT to Lakewood site:

 $(9.2 \times 900) - 3420 = 4860$ 

Thus, eventually, when the labor force is centered on the New Mint site (if driving declines from 62% of all commuting to 56%, as EIS specifies), the Lakewood site would generate almost twice as many additional VMT as the Park Hill site. If the center of residence moves only half-way to the new site as suggested in the EIS, this would increase the difference between the two sites in VMT still further. Any offset between the center of residence and the Mint site adds VMT to our figures.

The EIS omits any comment on the impact of its location on Tourist VMT. We are unable to model this except to say that the peripheral location of Lakewood relative to the SMSA and to the airport, hotels, and other tourist attractions is likely to increase VMT for tourists at least proportionately to commuter VMT.

The number of additional VMT implied by relocating in Lakewood is thusly large enough to argue strongly against choosing that site.

III. All the figures in section II. assume a totally non-discriminatory housing market in which all people choose their housing based solely on general availability and proximity to work. A more realistic model would consider where the Mint's actual labor force is likely to live and this is related to the economic and ethnic make-up of the Mint labor force.

Pay at the Mint is close to Denver's average family income, but \$2500 below Lakewood's average. Median price for houses listed in Multiple Listing and sold in the Lakewood area in recent months is about \$33,000., less than 20% of these houses sold below \$30,000. These prices disqualify more than 90% of all Mint

1. R.H. Anderson and K.H. Flaming, "CITIZEN SURVEY as a MEANS of CITIZEN INVOLVEMENT in COMMUNITY DECISION MAKING: THREE CASES" Pacific Sociological Ass'n., Mar. 1974

employees from moving to within 5 miles of the Federal Center unless they have substantial additional income.

The existing Mint is one of Denver's better employers of minority persons.

According to Frank Rhea, the Mint's labor force is close to 10% black, and 15%

Chicano, reflecting Denver's ethnic make-up. The three sites differ markedly
in proportion of the SMSA minority populations within 5 miles commuting distance.

# MINORITY POPULATION WITHIN 5 MILES

	NUMBER	% of SMSA CHICANOS	NUMBER	% of SMSA BLACKS
Existing Site Park Hill Site Lakewood Site	100,000	70	35,000	70
	50,000	35	45,000	90
	15,000	11	500	1

Jefferson County has the smallest per cent minority population of the 5 major counties in the SMSA; (4% as compared to Denver County's 26%). The City of Lakewood is typical of Jefferson County in this respect; (4.7% minority vs. Denver City's 26%, 0.1% Black vs. Denver's 9.1%).

The Mint's moving to Lakewood could have one of three results:

- a. It could integrate Lakewood. Given the success of the Federal Center itself in integrating Lakewood, this seems most unlikely. At the very least, moving minority employees to Lakewood would require substantial relocation assistance, both economic and personal support, for the Mint's employees.
- b. Minority employees could continue to work for the Mint and live in Denver. This would both increase Vehicle Miles Traveled to Lakewood and create a hardship for minority employees.
- c. Minority employees could cease to work for the Mint. This would eliminate all past gains made through Affirmative Action, totally neutralizing that program. For those who doubt this effect, we suggest reading John F. Kain's article "Housing Segregation, Negro Employment and Metropolitan Decentralization" in The Quarterly Journal of Economics, May 1968.

# IV. Public Facilities

The EIS focuses on two types of Public facilities, schools and transportation. In discussing schools, the EIS badly under-estimates the impact on the Jefferson County schools caused by moving the Mint to Lakewood. (Lakewood is only part of this school's district). Currently only 39 employees live in Lakewood and a few more live in other parts of Jefferson County. This number is almost negligible. Under either the EIS model or ours, a majority of the projected 800 Mint employees will eventually live in Jefferson County. These employees might have upwards of 400 children in Jefferson County Schools (EIS predicts only 150). Jefferson County is one of only two school districts in the Denver urban area that is still growing rapidly. They have some schools on double and triple sessions, including the high school near the Federal Center. 350 additional pupils at 30 per class would require construction of 11-2/3 additional classrooms, plus associated support facilities. Both Denver and Adams County, where these people might live if the Park Hill site is chosen, have excess space and declining enrollments.

The 350 pupil impact on schools is derived as follows. In the EIS model, the center of residence moves 4 miles west from the current Mint site to a point in Jefferson County, a few blocks west of Sheridan Boulevard. With a circular distribution, one-half the employees will be west of this point in Jefferson County and one-half east of the point, some of whom would still be in Jefferson County. In our model, even more would locate in Jefferson County unless housing discrimination interfered. Therefore, we take 400 employees as a minimum estimate of those locating in the Jefferson County Schools District. Subtracting an estimated current figure of 50 leaves 350 additional employees growth in Jefferson County. In Jefferson County there is roughly one school child per household, hence, 350 employees are likely to produce 350 pupils. We are unable to see how the EIS reached its conclusion about 150 pupils.

With regard to transportation, there are two categories: public and private (auto). The EIS states that there are four shifts at the mint. Using projected employment, these will be:

Shift I	Blue collar	7 a.m 3 p.m.	225 employees	125 cars
Shift II	11 11	3 p.m11 p.m.	225	125 "
Shift III	n u	11 p.m 7 a.m.	225 "	125 "
Shift IV	White collar	8 a.m 4:30 p.m.	125 "	70 "

In the old Mint, all shifts are served by public transit. At the Park Hill site, Shifts I and IV are directly served via route 15, and there is service via route 64, six blocks away, for the remaining shifts. Minor modifications in bus service would provide good public transit access for all four shifts.

At the Lakewood site, public transit now consists of three morning buses and three afternoon buses, none of which would serve the blue collar employees. Minor changes in the Mint schedule would serve Shift I, but major changes would be necessary to serve Shifts II and III. Such changes prior to inauguration of the PRT system are not financially feasible. The reason for this is that the Federal Center is predominantly a one-shift operation dominated by the private automobile. It generates little or no traffic except between 7 and 8 a.m., and between 4 and 5 p.m.

The PRT, if built, will improve public transit at both sites. As currently planned, the PRT will stop at Colfax Avenue and Colorado Boulevard, with frequent bus service north to the Park Hill Mint site. Another PRT stop will be near the Federal Center, perhaps one-half mile from the Mint site with a possible shuttle bus to serve the Mint site itself. There are no current plans of which we are aware to serve either site directly with PRT stops, but either site may be the target of an expansion of the PRT system.

In sum, then, right now and for the next ten years, the Park Hill site has at least twice the public transportation access that the Lakewood site has. Neither the EIS nor our model allows for the lack of public transit in Lakewood in determining commuter vehicle miles traveled. The EIS actually assumes that the percent of employees driving will decline from 62% to 56% with the move.

with reference to private transportation, the EIS makes two significant statements regarding rush hour traffic. First, it is implied that Colorado Boulevard in Park Hill is inadequate, "saturated during peak traffic periods" (p. 10 of the EIS statement). It should be noted that there is no need for the Mint's peak to coincide with other peak traffic and that Colorado Boulevard accomodates 20,000 more vehicles per day 8 miles farther south with essentially the same design. Hence the peak hour load of 250 cars for this site is unlikely to cause a major problem.

Second, "the Mint employee traffic (at the Lakewood site) generally would be counter-directional to the mass of such hour movements" (p. 11 of the EIS). With one shift leaving as the next shift arrives, it is hard to understand how the Mint traffic would have any general direction. The exception to this, of course, is the white collar shift, which is projected to arrive in 70 cars at course, is the white collar shift, which is projected to arrive in 70 cars at a.m. and leave at 4:30 p.m. This shift accounts for only 17.5% of employee traffic and includes the employees most likely to live west of the Mint and, hence, those most likely to move with the major traffic.

Thus, there appears to be little difference between the sites from the standpoint of automobile access except for those living near one site or the other. The big gainers at the Park Hill site are the minority employees from Northeast Denver and Adams County. The big gainers at the Lakewood site are the white collar employees, especially management, who live in Jefferson County and in the mountains. This issue thus boils down to whether the Federal Government wishes to give the fringe benefit of easy commutation to its poorest employees, those with the fewest choices, or to its richest employees, those who can afford to live in western Jefferson County.

# V. Community Development

The EIS concentrates on negative environmental impacts which in this case are minor. We have discussed above, a substantial labor market impact - the difficulty minority employees will encounter if they must commute to the Federal Center. We regard the Mint, however, in far more positive terms than this discussion implies.

This is the Denver Mint, a major installation of the U.S. Government and Colorado's largest single tourist attraction. As such, it is regarded by both the Denver and Lakewood communities as a major prestige item. In a humorous vein, we note the proposal to change the name of the Mint to the Lakewood Mint and place an "L" on every coin in order to give that city its missing sense of identity. Park Hill would, at least, offer to keep the Denver Mint in Denver!

More seriously, making a major investment of this sort in Park Hill says that "the United States Government believes in integration." Rejection of Park Hill would, of course, say the reverse - "the U.S. Government does not believe." During the fifteen years in which Park Hill has become the oldest and largest integrated community in America, we have observed no significant public physical investment in our community except destructive street widening to permit others to drive through Park Hill faster. There is a substantial body of folklore which says, "That's the way things are. Public enterprise does not invest in black or even partly black neighborhoods." The Decision on the Denver Mint location is a chance to disprive the folklore. Doing so will help this unique community in its efforts to stabilize and rejuvenate itself and to prove to the nation that an integrated community can work.

UNIVERSITY OF COLORADO

BOULDER, COLORADO 80302

Department of Environmental, Population and Organismic Biology April 2, 1974

Mr. Warren F. Brecht Assistant Secretary Department of the Treasury Washington, D.C. 20220

Dear Mr. Brecht,

We appreciate the opportunity to review the Draft Revised Environmental Impact Statement for the proposed new Denver Mint.

The draft appears to contain most of the pertinent information. We suggest that consideration be given to the possible influence of future "Open Space" needs of the Denver Metropolitan area. It appears that the Federal Center area is closer to the mountains and therefore has less urgent need for close-by open space and could, therefore, tolerate the loss of existing open space with less overall, long-term loss.

Sincerely yours,

John W. Marr. Ecologis

John W. Marr, Ecologist Professor of Biology

JWM: js

2380 Ash Denver, Colorado March 22, 1974

Mrs. Mary Brooks
Director of U. S. Mint
Deleware and West Colfax
Denver, Colorado

Dear Mrs. Brooks,

Following a review of the environmental impact statement, a question and answer session with Mr. Frank Rhea, and discussions with Mr. John Henry, Mr. Jay Geiger (Denver Planning Office) and Mr. Dan Reed (Denver Parks and Recreation) I prepared the attached statement supporting the Denver Federal Center as the logical choice for the new Mint site.

I have discussed the matter with many people, residents of Park Hill and with others who are not. Unfortunately these people, who feel as I do, are unable to find proper media in which to express their views and may well be a "silent majority".

It is clear that a great many pressures are being exerted to influence your decision. Most of them, I fear are politically motivated. Yet, an important decision such as this must be based upon all of the pertinent factors involved, as I am sure you are aware.

The attached statement has been sent to the media, radio, TV and newspapers. It is an attempt on my part to express the opinion of the people I have talked to, and to present an analysis of the facts. I hope it will be useful to you in your deliberations and that the final decision will give proper weight to the environmental considerations and economic aspects as well as the sociological.

Sincerely,

Elmer L. Metcalfe /S/

# FEDERAL CENTER SITE THE LOGICAL CHOICE

# FOR NEW U.S. MINT

Proposed sites under consideration for the new U.S Mint have been reduced to two, either the Denver Federal Center or the Park Hill Golf Course.

The final decision to be made within the next 60 days will be based primarily upon the recommendation of Mrs. Mary Brooks, Director of the Mint in Denver.

The Federal Center site is the logical choice for many reasons:

- Comparatively less impact from air pollution, according to the environmental study. Air on the East side of Denver is already badly contaminated by industrial emission, odors from the stock yards and gas refineries due to prevailing air currents.
- 2. Highway network is adequate to handle the significant volume of vehicular traffic. West Alameda and West 6th Avenue will accommodate the traffic where as Colorado Boulevard and Smith Road will not.
- 3. The Federal Center site, with the Rocky Mountains as a back drop would be more attractive to tourists and create a more favorable impression than the Park Hill site which offers a heterogeneous surrounding area at best.
- 4. Comparative capital costs would be less, a savings of about \$2 1/2 million to the taxpayers:
  - Land at the Federal Center is already owned. At Park Hill, land would have to be purchased from the Clayton Trust at a cost of \$1.5 million or more.

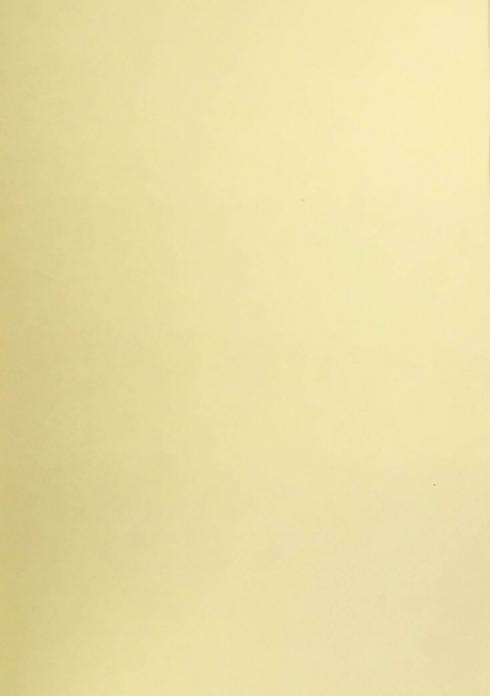
- The heating plant at the Federal Center can serve the Mint. At Park Hill a new plant would be required.
- Little, if any highway construction would be required at the Federal Center. Volume of traffic could involve major highway construction in Park Hill.
- No golf course to revamp at the Federal Center.
- 5. Land use at the Federal Center would be in keeping with present surroundings. At Park Hill, land presently devoted to public recreation
  would be reduced since the planned expansion of the golf course to 27
  holes would be cancelled out.
- 6. Lakewood residents and officials want the mint at the Federal Center.

The Mayor and Denver City Council have strongly favored the Park Hill site. So strongly, in fact, that a resolution was passed by city council on January 29, 1974 in favor of the Park Hill site. This action was taken almost one month before the environmental impact study was completed, February 27, 1974. Reasons given supporting the resolution refer to the intrinsic value of having the Mint in the city limits, and the sociological advantage of having 500 additional jobs by 1980 in the Park Hill area rather than Lakewood.

Logic favors the Federal Center. I am sure that Mrs. Brooks would like to know how the majority of people in the Denver Metropolitan area really feel about this important matter.

Elmer Metcalfe

Construction of New United State Ment May 291974



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# **GUIDANCE**

FOR THE

# CONSOLIDATED FEDERAL LAW ENFORCEMENT TRAINING CENTER

# DEPARTMENT OF THE TREASURY

MARCH 25, 1971

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## I. INTRODUCTION

On November 20, 1970, the General Services Administration Project Director for the Consolidated Federal Law Enforcement Training Center (CFLETC) transmitted to Treasury a copy of a draft *Program For The Consolidated Federal Law Enforcement Training Center*, dated November 17, 1970, with the request that the CFLETC forward any changes or comments that the Center might wish to make. The CFLETC Deputy Director informed the GSA that the document could be used by the GSA to estimate the costs to build the Beltsville facility.

On December 15, 1970, the GSA Project Director forwarded general cost estimates for the Beltsville facility and in his transmittal letter requested approval of the November 17 draft *Program*, which was substantially in compliance with the policy decisions taken by the Board of Directors in the second Board meeting held on October 15, 1970, and with the requirements specified by the CFLETC Interagency Working Group (CIWG) and by the CFLETC.

By letter dated January 4, 1971, the CFLETC Deputy Director confirmed his oral statement given December 23 that GSA should initiate action to modify the Master Plan for submittal to the National Capital Planning Commission and also initiate action to begin design on the over-all Center-both actions to be in conformance with the general concepts of the November 17 draft *Program*.

While the January 4 letter authorized design and other work to proceed in accordance with the cost estimate dated December 14, 1970, the GSA was cautioned that the authorization is subject to possible modification by the Secretary of the Treasury, the Director of the Office of Management and Budget, the President and by the appropriate committees of the Congress in their consideration of a revised Prospectus authorizing the construction of a facility in conformance with the proposals substantially as set forth in the November 17 draft *Program* and their consideration of related budgetary requests.

There were a number of statements in the November 17 draft *Program* which needed revision before the document could be formally approved; accordingly, the CFLETC Deputy Director requested usage of the November 17 draft *Program* be limited to internal GSA purposes.

This Guidance reaffirms the facility concept, scope, size, lay-out and design projected in the final Program. (See Exhibit A.) The purpose of the Guidance is to present an updating of work related to the planning and development of the Consolidated Federal Law Enforcement Training Center for use by the Congress and the Executive Branch of the Federal Government.

# II. SUMMARY OF ACTIVITIES

On September 5, 1968 the Bureau of the Budget, Civil Service Commission, White House Staff, Treasury Department, Justice Department, Interior Department, Post Office Department, Department of State, Department of Transportation, Smithsonian Institution, General Services Administration, and the D. C. Metropolitan Police Department issued a Proposal for A Consolidated Federal Law Enforcement Training Center. (See Exhibit B.) To implement this Proposal a Prospectus was prepared. On June 5, 1969, GSA informed Treasury by letter that, in accordance with Section 12(b) of the Public Buildings Act of 1959, the revised Prospectus for the C.F.L.E.T.C., submitted January 13, 1969, had been approved by the Congress. (The Prospectus was approved by the Committees on Public Works of the House of Representatives and the Senate on May 5 and 15, 1969, respectively.)

The above-noted Prospectus replaced the Prospectus which proposed construction of a special purpose Training Center for the U. S. Secret Service and which had been approved by the Committees on Public Works of the House and the Senate on April 7 and 13, 1965, respectively.

Treasury Department Order No. 217 (Revision 1), effective July 1, 1970, formally established the Consolidated Federal Law Enforcement Training Center as an organizational entity within the Department of the Treasury to function as an interagency training facility, and placed it under the supervision of the Assistant Secretary (Enforcement and Operations). (See Exhibit C.) The Secretary established the Center under the authority contained in the Government Employees Training Act, 5 U.S.C. 4101–4118, as implemented by Executive Order 11348 of April 20, 1967, and Reorganization Plan No. 26 of 1950.

The Department of the Treasury is the Executive Agency for operating the Center and serves as the established point of authority for implementation of Federal regulations and policies having government-wide application. Within this concept:

- 1. All employees of the Center staff are appointed under the authority of the Secretary of the Treasury and are employees of the Department of the Treasury;
- 2. Center operations are financed by a separate appropriation to the Department of the Treasury to be used to pay costs of salaries, equipment, and other expenses in connection with
  - a. Administration
  - b. Maintenance and operation of the physical plant (including dormitories and dining facilities).

and size facility would be projected. This, in turn, required analysis of estimated training requirements and of the curriculum. The final *Program (Exhibit A)* sets forth the methodology used, premises agreed on, concepts evolved, standards adopted, space relationships desired, and objectives decided upon.

The names of the participating agencies and the number of students to be trained are included as *Exhibit F*. The over-all required facility size was determined, among other factors, from the number of students to be trained and the intensity of usage projected for key facilities. *Exhibit G* sets forth data on facility usage for a peak week.

The data serving as the basis for the final *Program* were used by the GSA to make cost estimates to plan, design, construct and equip the overall facility. (See Exhibit E.) Those cost estimates will be used in the Revised Prospectus to be submitted to the Public Works Committees of the Congress. (See Exhibit J.)

This Guidance will be the basis for the Master Plan now being developed and for the design of the facility. This Guidance, together with Exhibits A and Exhibits C through J supersede certain corresponding sections and Exhibits of the September 5, 1968 Proposal (Exhibit B), particularly cost estimates, student projections and certain materials in the six major parts of the 1968 Proposal and in its Exhibits A, C, G, H and I.





PROGRAM

FOR THE

CONSOLIDATED FEDERAL LAW ENFORCEMENT TRAINING CENTER

## I. PREPARATION OF THE PROGRAM

The purpose of the Program is to provide a cost-effective facility wherein the finest law enforcement and law enforcement-related training program can be conducted in a setting that not only provides modern facilities for training, but also offers an environment conducive to the most effective intensive training experience.

The concept for the Center points towards a centralized multi-functional training and residential complex to achieve maximum efficiency. While each element is recognized as unique the important inter-relationships among all elements are stressed because the Center cannot function efficiently unless the inter-relationships are also efficient. One of the key concepts is flexibility, for the Center must be capable of utilizing both old and new instructional techniques, as well as be designed for logical future expansion.

The Guidance and this Exhibit A are based on Agency training requirements, a preliminary space requirement study, and curriculum and scheduling analyses.

A 745 student facility is projected — 440 students to be enrolled in the Basic Recruit Curriculums (Police and Criminal Investigator) and 305 to be enrolled in the Advanced, In-Service, Refresher and Specialized Recruit (AIRS) programs. The facilities as projected herein will be fully utilized and permit little, if any, increase in the number of students to be trained at any one time. With highly efficient use of all facilities, effective scheduling of classes and careful consideration of functional relationships, the numbers and kinds of activities required can be offered for the number of BASIC and AIRS trainees proposed. It has been assumed that the trainees will live at the Center and that there will be a nine-hour day (exclusive of special individual study time when required) with one hour for lunch, a 40-hour work week and 48 weeks of full capacity training each year. It is expected that each BASIC curriculum will be of 12 weeks duration.

A daily facility population of 1305 <sup>±</sup> is projected by adding an estimated 96 instructors, 175 administrative and operations personnel, 178 service and maintenance personnel, and 111 participating agency personnel to the 745 trainees. Peak week studies of total facility usage (see Exhibit G) have been prepared and the Guidance for the physical plant not only shows areas required for students and instructors, but reflects duration and frequency of use derived from these facility usage tables.

Areas, functional relationships and space allocations have been translated into projected physical facility needs. These are presented later in this Exhibit and, when combined with a Master Plan and the Design Objectives, will constitute the basis for the design of the structures and for site development.

# II. MAJOR PREMISES

#### GENERAL

A major premise is that the facility economically and effectively meet the training requirements established by the participating Agencies. In order to insure this, each Agency was asked to provide an estimate of the maximum instructional requirements it would place on the proposed Center during any one year within the next five by including in the projected curriculums the amount of time the trainee would spend in them, the sequence of courses, and any special facilities needed including special outdoor facilities. As a result, extensive data, including the number of students, and constraints as to seasons of the year in which the course could be given, as well as special facilities which would be needed, were supplied by the Agencies. These data were analyzed to identify specific functions that would need to be performed at, and supported by, the proposed Center in order to meet the Agency-specified requirements.

The analysis produced several products: (a) an identification of the facilities required to meet the Agency-specified requirements, (b) a quantitative indication of the load to be placed on each facility, and (c) an indication of the relationships between functions and between support requirements.

The incorporation of these analytical products involved several additional premises. Specifically, the Center had to be able to accommodate existing, or conventional, instructional methods as well as advanced, projected instructional methods. No instructor, it was thought, should be discouraged from using the Center because his instructional methods were considered either advanced or old fashioned. Thus, flexibility to accept and support conventional instructional methods as well as instructional methods projected for the future was a key design premise. The flexibility concept should enable the Center to adopt projected advancements in educational technology.

#### INSTRUCTIONAL CLUSTER CONCEPT

The analysis of data submitted by the participating Agencies indicated that there were certain desirable relationships among instructional functions. It was found, for example, that 24-man groups generally met for 20 minutes and then would break out and meet in subgroups of 4 and 6 people for as long as an hour or more before re-forming as a 24-man group. A relationship between the sizes and physical proximity of spaces for these instructional activities was evident. It was found that with reasonably efficient scheduling three 24-man

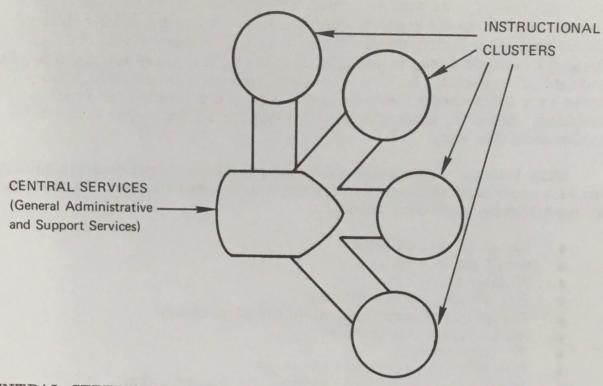
groups would be able to share, on the average, one set of four breakout rooms. Thus, a relationship between numbers of 24-man classrooms and numbers of break out rooms — as well as a need for close proximity between them — became clear. As the analysis clarified functional relationships such as this, the concept of an Instructional Cluster emerged. Instructional clusters were designed, nevertheless, to be highly flexible so that space use could be changed, reduced or expanded. Each of the breakout rooms, for example, also will serve as a multi-media learning carrel when not scheduled for small group sessions. Initially, there will be forty-eight break out rooms that will be available in this way.

Many factors were considered in making the functional analysis and arriving at a conceptual configuration for the Instructional Cluster. Factors such as the following were considered:

- Large group activities
- Small group activities
- Medium group activities
- Independent group activities
- Flexibility of space utilization (multi-purpose)
- Audio-visual requirements
- TV requirements
- Computer management advantages
- Materials preparation, storage, and dissemination
- Full-time instructor activities and space requirements
- Part-time instructor activities and space requirements
- Student activities needs
- Demonstration labs
- Resource materials requirements
- Administration functions
- Proximity of functions and space
- Flows (people, services, goods, information)
- Transit time for flows (e.g., critical times)
- Other support needs

It was concluded that each Instructional Cluster would be in effect a complete school which would be dependent only on the Central Services area for certain support functions. While each cluster would generally be similar to any other cluster, each cluster could function entirely independently of the others. Specifically, it could have its own classrooms, instructor's offices, media and materials storage area, and other required spaces.

It should be noted the diagram in Attachment B is intended to present only a concept of the Instructional Cluster.



#### CENTRAL SERVICES

The analysis of the projected training requirements data indicated that four Instructional Clusters would be required and that a Central Services area could serve all such clusters. The diagram indicates the relationship of a Central Services area to the Instructional Clusters.

The Central Services area would contain the following:

- Learning Resource Center
   Media support functions
   Materials support functions
- Computer Center\*
- TV Studio
- Programming, Planning, and Budgeting Functions
- Research and Development Functions
- Public Information Functions
- General Management Offices
- All other housekeeping and general support functions.

\*Although initially the Center will probably use commercially available time-sharing systems, it eventually may need its own computer. At present, only space has been reserved for a Computer Center, and cost estimates do not provide for purchase and installation of a computer.

In addition to the Instructional Clusters and Central Services area, the physical design of the Center should include firearms ranges, driving ranges, a gymnasium, an auditorium, and dormitory and other facilities described herein. Since the activities which will take place on firearms ranges, on driving ranges, in demolition and other similar demonstration areas will generate noise, these areas should be located some distance away from the Instructional Clusters and the Central Services area with buffer zones between them to keep the noise interference at a minimum, or prohibitively costly structures would have to be used.

#### LEARNING RESOURCE CENTER CONCEPT

A centrally located Learning Resource Center (LRC) is needed to serve the four Instructional Clusters. The LRC should house two major functions. In the Media Support area, the LRC should be responsible for evaluating, selecting, maintaining, storing, and disseminating media and equipment. In the Materials Support area, the LRC should be responsible for evaluating and selecting instructional materials developed elsewhere; developing new instructional materials to meet specifications, and maintaining, storing, and disseminating instructional materials owned by the CFLETC or otherwise provided (permanently or temporarily) by the participating agencies.

A TV studio should be an integral part of the LRC. This would give each agency the capability of producing instructional material geared to its unique objectives and of preserving these on tape, particularly for review by students at their leisure. It would provide a way of individualizing instruction or providing self-instruction. A TV facility would also provide the Center with the capability of receiving timely and appropriate special programs which may be presented within the area.

The LRC should have a staff that includes instructional strategies experts, subject matter experts, media experts, evaluation experts, graphic artists, writers, and editors, and instructional systems specialists. The functions of this staff should be (a) to determine how well the CFLETC is meeting the objectives of its instructional programs with the resources available, (b) to recommend improvements in existing curriculums and in instructional strategies to meet more effectively or efficiently identified objectives, (c) to implement approved revisions in courses or support others in doing so, (d) to serve as a ready source of information about the learning effectiveness of the courses presented by the CFLETC and (e) to be a source of up-to-date information on the latest developments in educational technology.

The LRC should also incorporate all of the functions of a typical library, plus other functions. Instructional media and materials are taking new forms as compared to those that existed a few years ago. The LRC should not only hold and distribute the standard textbooks, but should also manage and

disseminate audio tapes (cassette and reel), video tapes (cassette and reel), slide/tapes, 8mm and 16mm film, microfilm and microfiche readers, etc. It could provide portable media to be checked out to students, as required, and could provide special multi-media study carrels for individual students. Such a carrel, for example, might give a student access to computer simulation models automatically coordinated with related 35mm slides, to sound tapes and to physical objects (e.g., glass-enclosed samples of drugs).

A major advantage of the LRC concept is that it supports individualization of instruction, self-instruction, optional instruction, and continuing education. In terms of continuing education, for example, there is no reason why the services of the LRC must be restricted to the CFLETC. It could be highly cost effective if the CFLETC used the LRC to prepare on a reimbursable basis self-sufficient instructional packages for the participating agencies to use in field training programs.

#### COMPUTER TECHNOLOGY CONCEPT

There is a rapid increase in the usage of computers in education and training for both administrative and instructional functions. The Center should implement modern management practices. This could include the use of a Computer-Managed Instruction (CMI) system that would perform many functions. Although it is proposed that the CFLETC initially not have a computer, the Center should make use of commercially available time-sharing systems which would be able to perform the necessary functions. The functions performed by a CMI system could include:

- 1. The generation and print out of trainee schedules, space assignment schedules, media utilization schedules, materials requirements, etc.—the whole problem of integrated logistics would be handled by the CMI system. (The information supplied by the participating Agencies indicate that such activities could not be performed in a reasonably efficient manner without the use of a computer.)
- 2. Automated testing, to the extent possible, and general data recording.
- 3. Reports to instructors on group and individual student performance, including "exceptions" to expected performance ranges, as often as desired by the instructor (e.g., within one-half hour after each test).
- 4. Reports to individual students, provided automatically, to tell each how well he is doing, where he stands relative to others in his class, etc.
- 5. Special learning prescriptions provided automatically to students whose performance indicates they need special help. For example, a

student whose test results indicate that he is unable to match fingerprints may be given a learning prescription suggesting that he go to the LRC and check out a video cassette tape that treats this subject in detail. The student might play this cassette in a study station and perhaps review other materials.

Aside from the use of the computer for managing instruction (CMI), there are strong indications that computers are going to be used generally more as a medium of instruction - referred to as Computer Assisted Instruction. (CAI). While the costs of computer usage are continuing to drop, the understanding of cost-effective applications of the computer for instructional purposes has grown. One of the most pertinent and important instructional applications, from the standpoint of law enforcement training, has to do with teaching decisionmaking. The law enforcement officer is constantly placed in a position of having to make immediate decisions under a variety of conditions and often with much uncertainty. Dynamic computer-based simulations and games are being used increasingly to create such situations and teach decision-making skills. Having learned to make effective decisions under simulated conditions. there is a higher probability that a trainee would respond similarly on the job in the actual situation. Other CAI activities that can contribute to meeting instructional objectives include problem-solving, fact retrieval, and tutorial programs.

Even in rather homogeneous groups, it is usual to find that some trainees are able to complete a course of instruction three or four times faster than others in the same group. Instructional media now being developed generally are making it easier to individualize more of the instruction to reflect different rates of trainee progress. Great efficiencies are possible in this way, reducing the amount of time an individual spends in training and the amount of time he needs to utilize the training facility. However, the management of such individualized activities is virtually impossible on any significant scale without the use of a computer. For this reason computers are being used generally to manage instruction for individual students and groups of students in ways discussed above.

In general, in view of the increasing use of computers in law enforcement and the increasing rate of technological change, it would appear that computer science will be taught and otherwise extensively employed in the future at the Center. Necessary conduit are projected at the outset to allow for use of computer terminals (perhaps portable ones) linked to time-shared computer systems. The Center should be designed for its own computer and for time-shared services for administrative (including instructional management) purposes. The Center's computer system should have time-shared capabilities in order to accept input data and print out information at remote locations, on an as-needed basis (i.e., on a load-demand basis). Such a system would be capable of providing CAI on a time-shared basis. Thus, computer terminals could be used for both CMI and CAI purposes, and the terminals could be linked to the computer in the Center and/or to commercially-available, time-shared computer systems.

### RESIDENTIAL REQUIREMENTS

The assumption projected herein is that trainees will live at the Center. Time in residence will vary from a few days to 12 weeks. BASIC trainees, as well as certain AIRS trainees, will remain for 12 weeks. Therefore, residential facilities should provide comfortable, though not luxurious, semi-private living space with dining, snack and recreational facilities nearby. In the bedrooms, each to be shared by two trainees, each trainee should have study space for writing and reading. With provision for installation of conduits, these bedrooms could later be equipped for using various instructional media which could be available to him, including audio tape recorders/players, video cartridge TV, and a computer terminal. A student could then obtain from the LRC an audio tape or a video tape on a specific topic such as techniques for searching an automobile and play it in his room, at his convenience, as many times as he might wish until he felt thoroughly familiar with its contents.

In any long-term training situation the student experiences a need for a change in pace. Opportunities for athletics should be provided in the gym, and common areas should provide space for reading newspapers, magazines, etc., or for social activities. Since the Center is not close to shopping areas, there should be a PX or other facility where a student can buy soap, toothpaste, and other small items and can get a haircut. A self-service laundry should be centrally located. (It is assumed local firms could provide dry cleaning and other laundry services.) What seems to be small conveniences appear to be essential services in an intensive training situation such as that contemplated. Hours of concentration should be offset by periods of relaxation if trainees are to take full advantage of this intensive training program. It is as important to program properly balanced living situations as it is to program instruction. The physical setting and its effect on students and instructors have been taken into account in these recommendations.

The dining area should be large enough to seat 525 persons at one time. It is expected most employees will eat in the dining area which should be a cafeteria and that trainees will eat most of their meals in the dining area. The cafeteria will need to be open daily and for three hours for each meal on Mondays through Fridays. During the lunch hour on week days, classes should be scheduled every hour so that approximately 2/3 of the trainees will be in class each hour to avoid overcrowding the dining room. Again, the close interrelationships between living accommodations, instruction, and administration call for using modern management techniques to ensure an efficient operation of the Center.

Increased knowledge of the relation of the physical environment to human performance — whether in work or learning situations — is providing a useful new component in the development of effective and efficient facilities. This special, intensive training Center can do a better job of training and retraining law enforcement officers if it makes full use of this new knowledge. The need for the Center is great and the number of men that must be trained is

increasing. Also, new types of enforcement requirements are emerging. The residential "setting" is an important part of the total situation.

# OTHER CONSIDERATIONS

The premises outlined above are included to provide a background for the discussion of the recommended physical facility that follows. The requirements set forth in the remainder of this document illustrate specific factors that were considered, as well as the projection of the general premises.

## III. PHYSICAL FACILITY CONCEPTS

In response to the major concept of the Center as a multifunctional training and residential core programmed to achieve maximum efficiency for the intensive training program and the recommendation that training be conducted in a setting that not only provides modern facilities, but also offers an environment conducive to the most effective intensive training experience, a general direction for the organization of the physical facility was established before detailed function-space analyses were prepared.

Although these concepts could be translated into a physical setting resembling a residential college campus, it became increasingly apparent during the study of the training requirements that the Agencies might be better served by a facility more similar to a special conference center than a traditional campus. All facilities possible could then be located in a central structure or a closely integrated complex of structures. There were many reasons for concluding the separate facilities should be organized into a special type of conference center. A single student body would not remain in residence for a school year, but rather trainees would come for a few days or a few weeks of intensive training. Although only 745 men would be in training at any one time, it is expected 8725 will be trained each year. Essentially, the Center would be a single purpose institution - a place where law enforcement officers would receive intensive training. A trainee in residence at any period during the year would have only one reason for being there - to make maximum use of his time to take full advantage of the training opportunities offered in his special field. Recreational or social activities would be designed only as essential aids to training, providing only essential relaxation and physical activity. The focus for social activity would be the Center itself. Men in different fields from different agencies and parts of the country would have an opportunity to understand many types of law enforcement outside of their own specialized fields. No provision has been made for families to live at the Center.

The curriculum calls for intensive use of facilities and for full schedules for trainees. Again, unlike a traditional college campus, there appears to be an indicated need for a single-centered facility that would require minimal time to move from one instructional area to another or back and forth to residential areas.

For these and many other related reasons, the development of a single-centered physical facility appeared to be appropriate. Although certain facilities could not be included in a single structure or tightly organized complex, the majority — and those most frequently used each day — could be organized in a single center.

The determination of individual facilities required was influenced by this general concept. For example, if housing were located in separate, widely spaced buildings, each would require certain common facilities to serve each group. If all housing were located in a single center, fewer and more efficient common facilities would be needed. Also, if housing were located adjacent to instructional areas, such facilities as the LRC, study carrels in Instructional Clusters, etc., could be used during evenings and weekends.

## IV. FACILITIES REQUIRED

All functional spaces were organized into three appropriate categories:

- A. CENTRAL STRUCTURE
- B. ACCESSORY STRUCTURES
- C. OUTDOOR FACILITIES

It was determined that the following major functions should be organized into a single CENTRAL STRUCTURE (or closely connected groups of structures).

- A-1. ADMINISTRATION AND OPERATIONS
- A-2. INSTRUCTION
- A-3. PHYSICAL TRAINING
- A-4. HOUSING AND DINING
- A-5. COMMON USE AND RECREATION
- A-6. SERVICE AND MAINTENANCE

An additional group of functions also requires structures. Some could be connected with the Central Structure, but others could not. These have been grouped under the category ACCESSORY STRUCTURES.

- B-1. SPECIAL TRAINING BUILDING
- B-2. RAID AND CROWD DEMONSTRATION AREA (in typical street scenes)
- B-3. ENCLOSED AREA (HANGER-TYPE STRUCTURE) (for scenes set up for training in search, seizure and arrest techniques)
- B-4. DRIVING RANGE BUILDING
- B-5. STORAGE GARAGES
- B-6. SERVICE GARAGES
- B-7. SECURITY CONTROL CENTER

The Special Training Building (STB), B-1 is being designed as a separate structure and has been sited near the outdoor firing ranges and the motorcade training area which are now under construction. The STB will provide:

- Two 12-Position Indoor Ranges
   Two 12-Position Crossman Ranges
- Guncleaning Area
- Ammunition Vault

- Receiving and Loading Dock and Target Storage
- General Storage
- Weapons Repair and Storage
- Indoor Range Supervisors' Office

and is directly related to the use and operation of the outdoor firing ranges. Since the STB is being completed as soon as possible, it has not been considered as a part of the Central Structure. (See Exhibit H.)

Accessory Structures B-2 and B-4 are located within major outdoor facilities, the former in a 3-acre area and the latter in a 76-acre area and their exact locations will be determined by the locations of the outdoor facilities. The design and siting of all other Accessory Structures should be determined only after further careful study of the site and preparation of a Master Plan.

Outdoor facilities include special land areas required for training purposes, as well as those more typical areas needed for circulation, recreation, landscaping, etc. The following are required

- C-1. DRIVING RANGES
- C-2. ACCIDENT SCENES
- C-3. DEMOLITION DEMONSTRATION AREA
- C-4. RAID AND CROWD DEMONSTRATION AREA
- C-5. ATHLETIC FIELDS
- C-6. CIRCULATION
- C-7. PARKING AREAS
- C-8. EROSION CONTROL RESERVOIR
- C-9. LANDSCAPED AREAS

Outdoor Facilities C-1, C-3 and C-4 will require major land areas and also involve activities, primarily noise sources, which make it necessary to separate them from the Central Structure and in some cases from one another. These can only be located precisely after further careful study of the site and the preparation of the Master Plan. Their relation to the already existing facilities and to the Central Structure site will be determined by the interrelationships of the Central Structure, Accessory Structures and Outdoor Facilities.

The following gross areas for all three categories of space requirements are derived from the detailed function-space analyses set out in Exhibit A. They provide a summary of the areas required for the total facility. Certain of the outdoor areas can be established finally only after the Master Plan is completed. The type and extent of buffer areas cannot be determined until inter-relationships have been more completely studied and relationships of Center facilities to adjacent properties have been determined.

## SPACE REQUIREMENTS — GROSS AREAS

A. CENTRAL STRUCTURE	GROSS AREAS (Square Feet)
A-1 ADMINISTRATION AND OPERATIONS	
<ul> <li>a. Directors and Staff</li> <li>b. Learning Resources Center</li> <li>c. Computer Center</li> <li>d. Administrative Services</li> </ul>	15,600 21,000 7,300 8,300
TOTAL A-1 AREA	52,200
A-2 INSTRUCTION	
a. Four Standard Instructional Clusters b. Special Central Instruction	161,000 25,900
TOTAL A-2 AREA	186,900
A-3 PHYSICAL TRAINING	
TOTAL A-3 AREA	40,400
A-4 HOUSING AND DINING	
a. Housing b. Dining and Kitchen	226,500 38,300
TOTAL A-4 AREA	264,800
A-5 COMMON USE — RECREATION	
TOTAL A-5 AREA	21,400
A-6 SERVICE AND MAINTENANCE	
a. Service and Maintenance b. Heating and Air Conditioning	13,919 30,000
TOTAL A-6 AREA	43,919

TOTAL AREA — CENTRAL STRUCTURE

## SPACE REQUIREMENTS — GROSS AREAS

ВА	ACCESSORY STRUCTURES	GROSS ARI	
B-1	SPECIAL TRAINING BUILDING	See A-19	
B-2	RAID AND CROWD DEMONSTRATION AREA	See C-4	
В-3	HANGER TYPE STRUCTURE	15,300	
B-4	DRIVING RANGE BUILDING	2,975	
B-5	STORAGE GARAGE	21,479	
В-6	SERVICE GARAGE	8,700	
B-7	GATE HOUSE	1,8001	
	TOTAL AREA - ACCESSORY S	TRUCTURES	50,554

<sup>&</sup>lt;sup>1</sup>The cost estimate for the 1800 gross square feet is listed under Outdoor Facilities (Support) in the final cost estimate.

C. OUTDOOR FACILITIES

GROSS AREAS (Square feet)

C-1 DRIVING RANGES INCLUDING:

SKID PAN
SKILL DRIVING PADS
DEFENSIVE DRIVING RANGE
PURSUIT DRIVING RANGE

TOTAL AREA C-1

76 acres

C-2 VEHICULAR ACCIDENT SCENES

C-3 DEMOLITION DEMONSTRATION

C-4 RAID AND CROWD DEMONSTRATION

C-5 ATHLETIC FIELDS

C-6 CIRCULATION

C-7 PARKING - 700 Spaces

C-8 EROSION CONTROL RESERVOIR

C-9 LANDSCAPED AREAS

C-10 SITE UTILITIES

(along road network)

8 Acres
3 Acres

12 Acres

(to be determined)

5 Acres 20 Acres

(to be determined) 4,000 square feet

EXISTING FACILITIES

± 60 Acres

TOTAL AREA - OUTDOOR FACILITIES 184 Acres 1 (New and Existing)

The acreage for development does not include acreage for circulation, land-scaped areas, buffer areas separating facilities, boundary buffers, etc., which will need to be determined during study of the site and the interrelating of all required facilities. Portions of the site cannot be developed because major stream valleys, important wooded areas, and other natural features preclude the use of certain areas for construction or grading. Final determinations can be made after the Master Plan studies are completed.

The preceding three charts do not include the following areas for the reasons indicated.

	Building	Area	
Description	Net Assignable	Gross	Reason for Omission
Special Training Building	31,286	41,350	Being designed and con- structed prior to the balance of CFLETC.
Outdoor Firing Ranges and Motorcade Training Area	60,127	66,808	Design complete. Construction in progress.
Total	91,413	108,158	

Adding the building areas of the two above facilities to the building areas of the balance of the CFLETC (the three charts) provides the building area for the total Center.

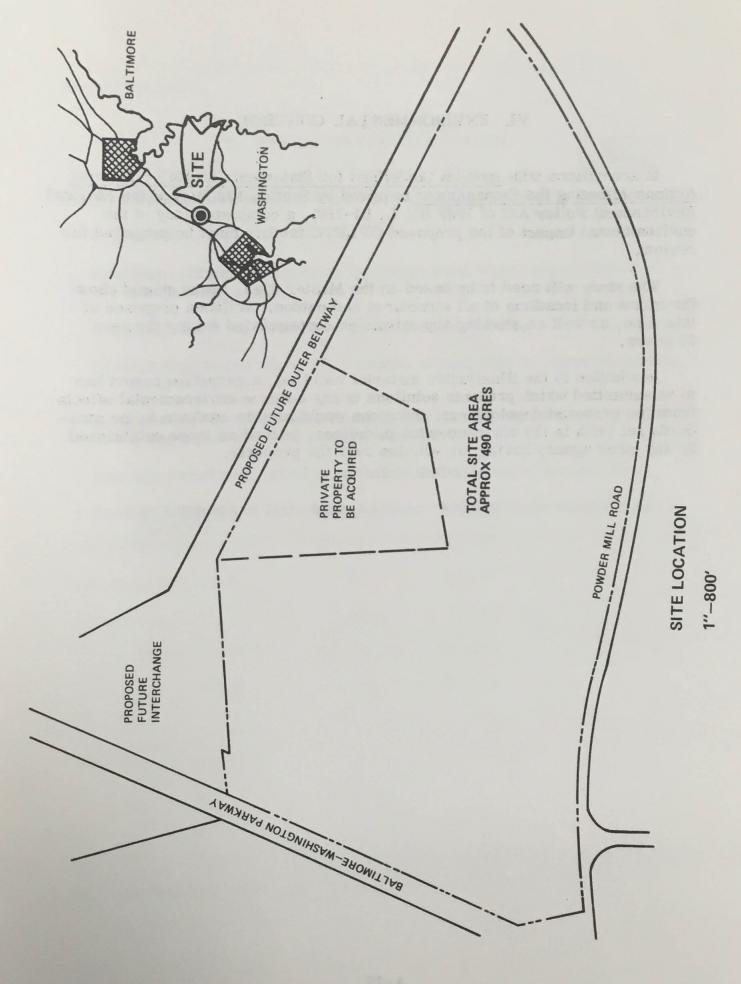
	Building Area Net		
Description	Assignable	Gross	
Central Structure	346,465	609,619	
Accessory Structures	39,025	50,554	
Outdoor Facilities <sup>1</sup>	3,300	4,000	
Special Training Building, Outdoor Firing Ranges and Motorcade Training Area	91,413	108,158	
Total	480,203	772,331	

<sup>&</sup>lt;sup>1</sup>Includes building areas only, not developed site work.

#### V. SITE

The proposed site is located in Beltsville, Maryland, northeast of the intersection of Powder Mill Road and the Baltimore-Washington Parkway. The site is heavily wooded. A major stream valley runs from the northern boundary corner and a secondary valley runs from the east and northeast to the major valley.

The 491 <sup>+</sup> acres of land are bounded on the east by the Parkway, on the north by the proposed Outer Beltway, and on the south by Powder Mill Road. This is a well-defined area and is an excellent site for the CFLETC facility. It should be able to accommodate all structures and outdoor facilities required, while major wooded areas and streamvalleys can be retained and protected.



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### VI. ENVIRONMENTAL CONTROL

In accordance with Interim Guidelines for Statements on Major Federal Actions Affecting the Environment required by Section 102(2)(e) of the National Environment Policy Act of 1969 (P. L. 91-190), a complete study of the environmental impact of the proposed CFLETC facility must be prepared for review.

The study will need to be based on the Master Plan, which should show the extent and locations of all structures and outdoor facilities proposed at this time, as well as showing any expansion contemplated during the next 20 years.

In addition to the illustrative material required, a narrative report has to be submitted which presents solutions to any adverse environmental effects from the proposed development. Solutions would need to conform to the standards set forth in the environmental guidelines, as well as those established by any other agency having jurisdiction over the property.

## VII. SPECIFICATION STANDARDS

A recommended classification of quality of construction is as follows:

In general,

Framing: reinforced concrete typically; steel where appropriate for special long spans.

Exterior Walls: cast-in-place and precast concrete.

Administration and other office areas: comparable to standard Government office space.

Instruction areas, Physical Training and related facilities: comparable to new university construction.

Housing structures: similar to that of mid-rise motel construction.

Dining, Kitchen and Maintenance areas: comparable to institutional standards.

#### VIII. SPACE RELATIONSHIPS

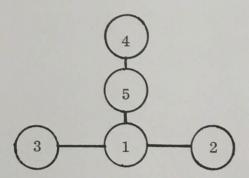
Once training requirements have been translated into the specific areas, shapes and heights that serve each function, the elements of the facility will need to be studied as they relate to one another. Each functional element should not only be efficient and fulfill its particular function, but it should be so related to other functional spaces that it responds to the guidance set forth for operation of the entire facility.

The physical facility concept established the need for a single structure or complex for the major instructional and residential functions. The relationships of the individual functional areas therein will establish a basic plan and form for the Central Structure.

1—ADMINISTRATION AND OPERATIONS and 2—INSTRUCTION are closely related. Predominantly, 1 should serve and support 2. Except for very minor guest and visitor requirements, 1 should be readily a working part of 2.

4—HOUSING AND DINING and 5—COMMON USE AND RECREATION are closely related. 5 should serve 4 and be an integral part of the entire residential program. 3—PHYSICAL TRAINING should be closely related to 2 as well as 5 and 4, since the facilities should not only serve for training but should be used for recreation after class hours.

The objective in establishing these inter-relationships is to develop a core that will not only function well but will result in a minimum of required daily travel time among all daily activity centers. A diagrammatic relationships among the daily activity centers can be developed.



6—SERVICE AND MAINTENANCE should serve all functional elements 1 thru 5 and should be located for the most efficient relation to each. Probably it should be located close to 4 and 5, the areas requiring maximum daily service.

The most specialized internal space relationships will be within an Instructional Cluster. Four of these are projected to fulfill the majority of all instructional functions. It is expected all required functions and internal circulation can be accommodated in a net assignment area of 22,500 square feet. A test layout has been made and appears to satisfy all requirements with a basic 32 foot column grid. Although, as requested, no classrooms have fenestration, at least one side of the rectangle can provide light for student break areas and indirect light to major circulation areas. This will also break the view during class breaks — an important factor for the projected intensive training program.

The location of the Central Structure will be greatly influenced by the existence of the outdoor firing ranges and motorcade training area along the western boundary of the property. These facilities will be a noise source. In lieu of costly buffering at the source or very costly sound insulation of the new buildings, the Central Structure should be located at the maximum practical distance from this noise source. Distance, direction, topography, wind direction and many other factors should be considered in this determination.

The Central Structure will be able to function efficiently as an entity, but its relation to Accessory Structures and Outdoor Facilities should be so as to minimize travel time to all instructional and training facilities that cannot be located adjacent to the Central Structure.

The final determination of these relationships will need to be made during further study of the site and the development of the Master Plan. The site itself will influence locations — certain areas cannot be developed and some facilities may have to be located at a greater distance from the Central Structure than would be considered ideal if all of the site were equally usable for development.

# IX. CIRCULATION WITHIN THE SITE

A centralized facility accommodated in a single structure or closely related complex of structures will provide an effective and efficient Center by minimizing travel time among various functional areas. Because certain facilities should be separated from the dominant core structure that contains all major instructional and residential facilities, circulation from A — the Central Structure, to B — Accessory Structures and C— Outdoor Facilities should be given major consideration.

Theoretically, all facilities could be concentrated in a single location and if the imperative were minimal travel time among all facilities, a solution could be found. If construction costs were not a factor, and the site were a theoretical plane, an interesting theoretical megastructure could be developed to respond to a dominant time imperative. But — a site exists — it is not a plain. It is rolling land with stream valleys and tree cover. And construction costs cannot be ignored. Not only are they already high, but they are rising steadily.

Although the imperative for excellence in law enforcement training is clear, there are many other imperatives. Compromises will need to be made and certain required facilities can be more economically provided in open space than in enclosed space. Circulation to and from these open space facilities will be an important design element. The use of some type of motorized transportation should minimize travel time. Although adequate pedestrian circulation should be provided throughout the site, vehicular circulation that will best serve daily training program schedules should be used.

It has been assumed that the road network required to serve training program circulation could also be used for service vehicles except where daily service vehicles would interfere with training schedules.

# X. CIRCULATION TO AND FROM THE SITE

Field trips should be handled by buses. Private car usage should be minimized. Commercial transportation information should be provided to new trainees prior to arrival. Transportation to and from the airport should be provided by Center operated equipment or arrangements worked out for commercial limousine or taxi companies to provide the service.

Center requirements could be met by the use of mini-buses and standard station wagons, as well as buses. Messenger service could be handled during off-peak hours by station wagons that would be available for other Center services during most of the day. Some regular transportation services should vices during most of the day. Some regular transportation services should be provided by the Center to and from the District or other selected locations. Church attendance and emergency requirements should be serviced as well as scheduled off-site field trips that will augment on-site training facilities. Provision should also be made for visitors and daily deliveries.

Parking for 700 cars should be provided. This will accommodate 53 per cent of the highest estimated number (1305) of persons expected to be on the site at any one time.

A special study of all transportation services should be made during the preparation of the Master Plan, which has to be reviewed by Agencies interested in the traffic impacts on adjacent public roads.

#### XI. EXPANSION

It is probable over the next 10 years that the increasing need for trained law enforcement officers will require the expansion of the programmed 745 man facility to one serving approximately 1,500 trainees. Planning for expansion at the present time has been projected so that the enlarged facility would be a logical expansion of the original, would operate efficiently as a total facility, and would result in an integrated, harmonious building design. If the present facility were designed without this consideration for expansion, a future need to increase the facility could result in unnecessary expense as well as in a poor solution not only in appearance but in function as well.

Accordingly, this Guidance provides for sizing the kitchen (but not all equipment), the computer area (also necessary structural strength and airconditioning, but not equipment) and the air-conditioning, heating and service areas (but not all equipment) for 1,500 resident students who it is estimated will require training annually during the ten year period ending FY 1982. The underground utilities are sized for 2200 resident students. (The land area set aside for the Center is based on estimates of physical plant needs to meet 20 year training requirements — the period of time for which a Master Plan for a project must be projected to obtain approval by the National Capital Planning Commission.)

It is reasonable to expect the Center to move continuously in the direction of providing more individualized instruction. Much of the instruction could be packaged in such a way that instructors outside of the Center can make effective and efficient use of it. There would be many advantages, including huge potential cost savings, if the Center were to disseminate such learning packages to the participating agencies. This would enable the Center to train many times more persons than it can physically accommodate at the Center itself.

### XII. MASTER PLAN OBJECTIVE

In order to develop a basis for a final Master Design, studies for a Master Plan should permit testing of program requirements and the development of concept sketches for review. The final Master Plan should include the location of buildings and special facilities, use of the terrain and natural features, vehicular and pedestrian circulation and a general utility plan.

This Master Plan should indicate conformance to all Federal environmental standards, as well as those established by local jurisdictions. The Plan and an accompanying narrative report should provide all material required for review. Building massing studies and a general design concept should be provided.

#### XIII. DESIGN OBJECTIVES

When the Master Plan has been completed and approved, a design study for all structures and outdoor facilities should be prepared. Although area and massing studies will have been made for the Master Plan and the site locations for various facilities will have been determined, the final building design should be developed after a complete and detailed analysis of all functional areas.

The final design should respond to the need for a single, dominant multifunctional instructional and residential core. This concentration of functions not only meets the requirements for the intensive training program proposed, but it should also permit the retention of important wooded areas and stream valleys.

The Accessory Structures and Outdoor Facilities that must be separated from the Central Structure should be located on the Master Plan, but their design and circulation to them will require a detailed study. These are all essential facilities; some of them are extensive and all will require careful study of the land. Special problems are involved in others — noise control being one of the most important.

The entire development should present a dignified, well-defined image of the Center to students, instructors, and staff, as well as the general public. Because it is located near the capital city, it should be considered as an integral part of the design of the environs of the Federal City.

A general design direction is clear. The major and dominant Central Structure should be designed to serve the new techniques in instruction, training, administration and operations that are programmed and should provide a setting that also offers an environment conducive to the most effective intensive training experience. The Central Structure should express a single design philosophy consistent with this technologically advanced facility. All Accessory Structures and Outdoor Facilities should be subordinated to the dominant design element of the Central Structure but be consistent with it. The total design should be a strong expression — bold, simple and orderly.

#### SCHEDULE OF SPACES & FUNCTIONS

FOR THE

CONSOLIDATED FEDERAL LAW ENFORCEMENT TRAINING CENTER

# CATEGORY A. CENTRAL STRUCTURE

DIVISION A - 1.	ADMINISTRATION AND OPERATION		
	a.	Directors and Staff	
	b.	Learning Resources Center	
	c.	Computer Center	
	d.	Administrative Services	
DIVISION A - 2.	INS	TRUCTION	
	a.	Standard Instructional Cluster	
	b.	Special Central Instruction	
DIVISION A - 3.	PH	YSICAL TRAINING	
DIVISION A - 4.	НО	USING AND DINING	
	a.	Housing	
	b.	Dining	
DIVISION A - 5.	CO	MMON USE AND RECREATION	
DIVISION A - 6.	SE	RVICE AND MAINTENANCE	

## KEY TO SERVICES (Utility Groupings).

Applies to all following charts.

#### GROUP 1.a.

- 1. Heating and Air Conditioning
- 2. Mechanical Ventilation
- 3. Artificial Lighting
- 4. Optional Natural Lighting
- 5. Power and Telephone Outlet Distribution Through Underfloor Duct System

#### GROUP 1.b.

Same as 1.a., except No Natural Light

#### GROUP 1.c.

Same as 1.a, except Power and Telephone Distribution Through Conduit or Armored Cable

#### GROUP 2.

- 1. Heating and Air Conditioning
- 2. Mechanical Ventilation
- 3. Both Natural and Aritificial Lighting
- 4. Power and Telephone Outlets Through Normal Distribution System
- 5. Plumbing (Water Supply and Drainage)

### GROUP 3.

- 1. Heating Only
- 2. Mechanical Ventilation
- 3. Both Natural and Artificial Lighting
- 4. Power and Telephone Outlets Through Normal Distribution System
- 5. Plumbing (Water Supply and Drainage)

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
DIRECTOR	Office	Executive Office, visitors, staff conference	Conference table, sofa, chairs	Group 1a	Adjacent to visitors' entrance and Board Room
	Office	Secretary to Director		Group 1a	Adjacent to Director's Office
	Office	Staff aide to Director		Group 1a	11
	Work Station	Clerical		Group 1a	11
DEPUTY DIRECTOR	Office	Same as for Director	Conference Table	Group 1a	Adjacent to Director's office & Visitors' entr.
	Office	Secretary to Deputy		Group 1a	Adjacent to Deputy Director's office.
	Office	Staff aide to Deputy		Group 1a	11
	Work Station	Clerical		Group 1a	"
ASSOCIATE DIRECTOR	Office	Standard use plus staff conference	Conference Table	Group 1a	Near Director's Area
FOR EDUCATION	Office	Secretary to Assoc. Director		Group 1a	Adjacent to Assoc.
	Office	Staff aide to Assoc. Director		Group 1a	11
	Work Station	Clerical		Group 1a	11

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	ADMINISTRATION & OPERATIONS	1
SUBDIVISION:	DIRECTORS & STAFF	a

SPECIAL CONSIDERATIONS	NET ASSIGNABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Organized for multiple use — interviews with visitors, staff and equipped for briefings	350	1	350
Both accessible to reception room with waiting space for 6 - 8 persons	150	1	150
	200	2	400
Buffered from Director's office and reception room	80	2	160
Alternate use for all Director's functions but more frequent staff conference use	300	1	300
Accessible from reception room	100	1	100
Accessible from reception room	200	1	200
Accessible from reception room	50	1	50
Reception Room separate from Director's area	300	1	300
All accessible from reception room	100	1	100
All accessible from reception room	200	1	200
All accessible from reception room	50	1	50

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
ASSOCIATE DIRECTOR FOR OPERATIONS	Office	Standard office use & Conference	Conference Table	Group 1a	Adj. to Adminis- trative Services Area
	Office	Secretary to Assoc. Director		Group 1a	Adj. to Assoc. Director's Office
	Office	Staff aide to Director		Group 1a	11
	Work Station	Clerical		Group 1a	11
BOARD OF DIRECTORS	Board Room	Directors' meetings Administrative Staff meetings	Seating group in addition to main con- ference area	Group 1a	Adj. to Director's Office & Reception Room
CURRICULUM DIRECTOR, BASIC CRIM- INAL INVES- TIGATOR	Offices	Standard office use	Materials storage cabinets	Group 1a	Convenient to office of Assoc. Director for Education
CURRICULUM DIRECTOR, BASIC POLICE	Offices	Standard office use	tt	Group 1a	11
LEGAL STAFF	Offices	Standard Office use	Document Storage Space	Group 1a	Convenient to Deputy Director's Office
	Work Stations	Clerical	11	Group 1a	Adjacent to Legal Staff

CATEGORY: CENTRAL STRUCTURE

DIVISION: ADMINISTRATION & OPERATION 1

SUBDIVISION: DIRECTORS & STAFF a

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Organized for efficient supervision of administrative services personnel (See A-1-d). Also convenient access from main administration circulation area.	300	1	300
	100	1	100
	200	1	200
	50	1	50
Accommodate 20. Organized for conferences and briefings, as well as for regular Board meetings. Also staff conference use. (Separate coat rooms and toilets.)	1,000	1	1,000
Accessible from main administration circulation area	200	2	400
Accessible from main administration circulation area	200	2	400
Separate small reception room accessible from main administration circulation area.	250	2	500
	50	2	100

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
CONGRESSIONAL & PUBLIC AFFAIRS	Offices	Standard Office & Conference	Conference Table	Group 1a	Adj. to visitors' entrance
	Work Stations	Clerical		Group 1a	Adj. to offices
EQUAL OPPORTUNITY	Office	Standard Office & Conference	Conference table	Group 1a	Adj. to visitors' entrance
OFFICE	Work Station	Clerical		Group 1a	Adj. to office
AIRS LIAISON OFFICERS	Offices	Standard Office Use		Group 1a '	Access from main adminis- tration circulation
AGENCY SUPERVISORS	Offices	Standard Office Use		Group 1a	Access from main administra- tion circulation

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	ADMINISTRATION & OPERATIONS	1
SUBDIVISION:	DIRECTORS & STAFF	a

SPECIAL CONSIDERATIONS	NET ASSIGNABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Convenient to main reception area	250	2	500
	50	2	100
Convenient to main reception area	300	1	300
	50	1	50
Convenient to main reception area	150	3	450
Offices grouped and all accessible from a separate reception area	150	15	2,250
	Totals for A-1-a	51	9,060

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
MATERIALS PREPARA- TION STAFF	Stacks	Library of books, films, tape cassettes		Group 1a	
	Distribution area	Assembling & distributing media to instructional clusters & to students		Group 1a	Adj. to stacks
	Drafting room	Preparation of graphic material for instruction		Group 1a	Adj. to work- shop & training aids specialists
	Workshop	Preparation of models, etc. for instruction		Group 1a & plumbing	Adj. to drafting room
	Offices	Training aids specialists		Group 1a	Adj. to work- shop & drafting room
	Offices	Curriculum development		Group 1a	Convenient to stacks and research staff area
RESEARCH	Offices & work stations				Convenient to stacks and training aids specialists & curriculum development personnel

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	ADMINISTRATION & OPERATIONS	1
SUBDIVISION:	LEARNING RESOURCE CENTER	b

SUBDIVISION: LEARNING HIBO			
SPECIAL CONSIDERATIONS	NET ASSIGNABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Organized for convenient & efficient storage of all types of instructional materials and all to be readily accessible from Distribution area & Students' Study areas (see A-1-b)	2,000	1	2,000
Offices for 3 & stations for 4 mobile personnel convenient to stacks and main LRC circulation area.	100	3	300
4 drafting boards and supply storage. Space for inspection and review of all graphic material	400	1	400
Space for 4 mock-up specialists and supplies, tools, etc. Accessible from service corridor.	600	1	600
Organized to direct & supervise Drafting Room & Workshop personnel	100 (average)	3	300
Accessible from access circulation to LRC, as well as to all spaces within.	100 (average)	4	400
3 persons. Offices grouped and well buffered from shop or other noise sources.	100 (average)	3	300

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
TV PROGRAM STAFF	Studio	Closed Circuit TV broadcast studio		Group 1a: plus extra ventilation and air- condition- ing	Convenient to training aid & Curriculum Development offices
	Control Room	Broadcast control			Adjacent to studio
MEDIA SUPPORT STAFF	Storage	Storage of portable media	Include mo- bile special storage cabinets	Group la	Adj. to Materials Preparation area & Distribution Area
	Offices	Distribution of portable media	Mobile dis- tribution cabinets	Group 1a	Adj. to storage
	Maintenance Shops	Repair of media		Group 1a	Adj. to storage
STUDENTS	Carrels	Multi-media study	Computer- managed, interactive random ac- cess audio and synchro- nized visual images; TV/ CRT display; keyboard in- put; cas- sette and car- tridge stor- age mediums	Group 1a	Adjacent to stacks
	Study Area	Study Tables		Group 1a	Adjacent to stacks
LIBRARY	Work Stations	Management of Library		Group 1a	Adjacent to stacks

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	ADMINISTRATION & OPERATIONS	1
CURDIVISION:	LEARNING RESOURCE CENTER	b

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Organized for production and taping of special instructional material for each Agency, as well as general material. Also receiving special programs produced in area and using them for instruction purposes. Preparation of tape duplicates. Sound insulated.	2,500	1	2,500
Personnel (4) and all required equipment	300	1	300
Organized for easy accessibility from Distribution area	3,000	1	3,000
Accessible to students with facilities for checking out and receiving all media	100	2	200
8 repair technicians with work benches, tools and supplies; sound insulated.	600	1	600
25 Carrels. Grouped. Not a passage for any other use	25	25	625
50 spaces — various groups to provide most convenient access to instructional materials	15	50	750
4 staff members. Organized for efficient operation and supervision of all instructional materials	80	4	320
	Totals for A-1-b	101	12,595

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
COMPUTER CENTER STAFF	Future use (see Special Consideration)			Group 1a, plus extra ventilation and air- condition- ing, hu- midity control	
	Vault	Storage of magnetic tapes			

CATEGORY: CENTRAL STRUCTURE

DIVISION: ADMINISTRATION & OPERATIONS

SUBDIVISION: COMPUTER CENTER c

A

1

SPECIAL CONSIDERATIONS	NET ASSIGNABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Undivided space for future development into:	3,920	1	3,920
<ol> <li>Computer room</li> <li>Data Processing Director's Office</li> <li>Computer Managers' Offices</li> <li>Offices for Programmers &amp; Analysts</li> <li>Offices for Data Preparation Staff.</li> </ol>			
Fireproof room, controlled temperature and humidity	250	1	250
	Totals for A-1-c	2	4,170
			A PROPERTY.

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
CONTRACTS & PROCURE- MENT  PROPERTY MANAGER  TRAVEL	Offices	Administrative Offices to serve the users whose titles are self- explanatory		Group 1a	Adj. to office of Associate Director for Operations. Entrance directly from a service parking area.
PERSONNEL					Carrie Sergents
BUDGET					
ACCOUNT- ING					
O&M					
PPBS					
AUDITORS					
RECORDS MANAGE- MENT					
PRINTING & REPRODUC- TION					
MAIL & MESSENGER					
SEC. OFFICER					
SAFETY OFFICER					
TELECOM- MUNICATIONS					

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	ADMINISTRATION & OPERATIONS	1
SUBDIVISION:	ADMINISTRATIVE SERVICES	d

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Allocation of exact area distribution will be made when administrative procedures are refined. As central operating core for a complex institution, it must be organized for	80 (average for all	6	
maximum efficiency.	offices)	4	
		2	
		5	
		4	
		6	
		2	
		2	
		2	
		4	
		8	
		6	
		2	
		2	
		6	
	Totals for A-1-d	61	4,880

# TOTALS FOR DIVISION A-1, ADMINISTRATION & OPERATIONS

Subdivision	a.	Directors and Staff	9,060
Subdivision	b.	Learning Resource Center	12,595
Subdivision	c.	Computer Center	4,170
Subdivision	d.	Administrative Services	4,880
		Total Net Assignable area	30,705 s.f.
		Net Assignable to Gross Ratio: 58.8%	
		Total Gross area	52,200 s.f.

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
SUPPORT PERSONNEL STUDENTS	Learning Resource Center	Storage & distribution of books, films, tapes, etc.	Portable storage cabinets	Group 1b	Central but ac- cessible for con- venient delivery of all materials from Central LRC
	Reception	Entrance to Cluster	Sofa, chairs & visitors' desk	Group 1a	Adj. to LRC & General Support Area & lead directly to main circulation to all instructional areas.
SUPPORT PERSONNEL	General Support Area	Cluster adminis- tration & coordina- tion; general clerical	Xerox	Group 1a	Adj. to Reception
SUPPORT PERSONNEL	Course aides' offices	Coordinate cluster instructional pro- grams	3 walls storage & record files	Group 1a	Adj. to LRC
INSTRUC- TORS	Offices	Course preparation & student confer- ences	One wall book & ma- terials storage	Group 1a	In groups of 6 near classrooms
	Work Stations	Clerical		Group 1a	One station for each group of 6 offices
	Conference Rooms	Meetings, instructors, instructors & students. Also used as extra Breakout Room		Group 1a	3 separate loca- tions, near instructors' office groups
	Storage	Instructors' Storage Space	Special cab- inets for teaching aid materials	Group 1b	Accessible to all instructors.

CATEGORY: CENTRAL STRUCTURE

DIVISION: INSTRUCTION

SUBDIVISION: STANDARD INSTRUCTIONAL CLUSTER a

2

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Organized for easy distribution of instructional materials to all classrooms, etc. Also accessible to students for individual use of materials. Delivery from Central LRC must be direct and convenient and mobile cart entrance must not disturb any instructional areas.	1,000	1	1,000
Main Entrance to cluster. Supervision from one clerical space. Organize so this space gives access to all information and supervision functions as control center for the cluster.	500	1	500
Organized for efficient administration and coordination of all cluster activities and services by 1 coordinator and 3 clerical assistants	1,200	1	1,200
Organized for 2 aides to control all instructional cluster programs, arrange for delivery of LRC materials, check out LRC materials to students, provide liaison with all Central Services	150	2	300
30 instructors. All offices similar	70	30	2,100
For meetings of 6 to 8. Arrange 2 adjacent spaces so can be combined into one room for 16 to 20.	300	4	1,200
	400	1	400

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO
STUDENTS & INSTRUCTORS	Classrooms	Group instruction for 30 men	All movable furniture. Complete AV-TV system.	Group 1b	8 classrooms grouped at center of cluster
STUDENTS & INSTRUCTORS	Breakout rooms	Small group instruction, and self-instruction	One individual study station initially. Equipment and furniture to be portable Will accommodate cartridge TV, cassette audio players, film slidetape devices, and computer terminal.		3 groups of 4 rooms each in 3 separate locations around central classroom group.
STUDENTS & INSTRUCTORS	Laboratory	Lab instruction for 4—12 men	Equipment for multi- functional use	Group 1b plus plumbing	Accessible from main circulation. Need not be adj. to class and break out rooms
SUPPORT PERSONNEL	Audio visual	Transmission of TV, films, slides etc. to classrooms	To be spe- cified later	Group 1b plus extra air condi- tioning	Center of cluster and serves all cluster AV-TV systems. Accessible directly from corridor for delivery of source material

CATEGORY: CENTRAL STRUCTURE		A
DIVISION:	INSTRUCTION	2
SUBDIVISION:	STANDARD INSTRUCTIONAL CLUSTER	a

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Arrange for maximum flexibility of 2 groups of 4 rooms located on each side of AV-TV control core. Room shape for optimum viewing but adaptable for wide range of chair and chair-desk arm ngements. Storage of demonstration equipment in central cluster storage room. Movable partitions so 2 rooms can be combined for 60 man class or mock court room. No daylight for AV-TV viewing.	800	8	6,400
Discussion groups of 6-8 men in each breakout room. One "interview" room and one adjacent "observation" room, with one-way mirror between and linked by CCTV, in each group of four breakout rooms.	275	12	3,300
Serves all students in one cluster and must be arranged for wide range of courses requiring wet lab facilities.	400	1	400
3-4 men operate rear projection screen equipment, TV's and TV monitoring and check in all source material.	1,800	1	1,800

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS & INSTRUCTORS	Lounges	Informal assembly during class breaks	Vending machines	Group 2	On glazed exterior wall. Access directly from main cluster circulation.
	Storage	Storage of portable furniture and equipment		Group 1b	Convenient to classrooms.

CATEGORY:	CENTRAL STRUCTURE	
DIVISION:	INSTRUCTION	

SUBDIVISION: STANDARD INSTRUCTIONAL CLUSTER a

SPECIAL CONSIDERATIONS	NET ASSIGNABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Schedule does not permit time for students to return to common areas for class breaks. Organize and furnish so that discussion groups can meet during peak load on classrooms.	1,600	2	3,200
	150	3	450
ONE STANDARD INSTRUCTIONAL CLUSTER	Totals for A-2-a	72	22,500
FOUR CLUSTERS REQUIRED	22,500	4	90,000
	Grand totals for A-2-a	288	90,000

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUC- TORS	Language Laboratory	Electronic Language Instruction	Individual student booths & control console	Group 1b	Direct access from corridor serving all central instruc- tion area
STUDENTS AND INSTRUC- TORS	Driving Simulator Room	Electronic driver training	6 Driving Simulators	Group 1b	***
STUDENTS AND INSTRUC- TORS	Laboratory	Teaching lab. for fingerprinting, photography, chemical analysis	(To be specified later) All permanently installed equipment	Group 1b	11
STUDENTS AND INSTRUC- TORS	Crime scene rooms	Simulated dwelling rooms	House furnishings	Group 1b	"
STUDENTS AND INSTRUC- TORS	Detention Cell	Simulated detention cell for instruction		Group 1b	**

CATEGORY:	CENTRAL	STRUCTURE	A

DIVISION: INSTRUCTION

b

SUBDIVISION: SPECIAL CENTRAL INSTRUCTION

	NET ASSIGN-		TOTAL NET
SPECIAL CONSIDERATIONS	ABLE AREA PER SPACE	NO. OF SPACES	ASSIGNABLE AREA
Area allocated allows for expansion to accommodate 60 students. Now programmed for 30 individual desks with spaces for language learning aids. Storage for tapes and other materials, recording studio.	2,100	1	2,100
Arrange simulators so space available for instructors and observers.	600	1	600
Organize for maximum flexibility of groupings of students for various courses	2,000	1	2,000
Rooms and furnishings will be subjected to physical abuse during search and seizure instruction.	250	2	500
Full size, one man detention cell (± 8' x 8' x 7' H set in middle of room)	200	1	200

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USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
INSTRUC- TORS	Offices	Preparation and student conference	Wall for books and material storage	Group 1b	3 groups of 4 offices located adj. to major class- rooms
	Conference Rooms	Instructors' meet- ings (alternate use for student con- ferences)	All move- able	Group 1b	2 rooms centrally located
	Work Stations	Clerical		Group 1b	Centrally located
STUDENTS, INSTRUC- TORS, VISITORS	Auditorium	Ceremonies, lectures, movies, etc.	Rear view projection capability	Group 1c	Convenient to all instruction areas but accessible directly from visitors' entrance.

CATEGORY: CENTRAL STRUCTURE

DIVISION: INSTRUCTION 2

SUBDIVISION: SPECIAL CENTRAL INSTRUCTION

SPECIAL CONSIDERATIONS	NET ASSIGNABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Similar to instructors' office in standard instructional clusters	70	12	840
6 to 8 men per room. Use movable partition and combine rooms for maximum of 20	300	2	600
	50	2	100
Seating for 600. Stage and projection booth required. No fly loft. Sloped floor, fixed seats. Divisible into 3 200 man lecture halls.	7,500	1	7,500
	Total for A-2-b	23	14,440

#### TOTALS FOR DIVISION A-2, INSTRUCTION

Subdivision a.	Standard Instructional Clusters (4)	90,000
Subdivision b.	Special Central Instruction	14,440
	Total Net Assignable Area	104,440 s.f.
	Net Assignable to Gross Ratio: 55.9%	
	Total Gross Area	185,900 s f

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUC- TORS	Gymnasium	Organized instruction and recreation	(To be specified later)	Group 1c	Accessible from main entrance and athletic field and adj. to locker area.
STUDENTS AND INSTRUC- TORS	Unarmed Defense Training	Physical Defense training room	11	Group 1c	
STUDENTS AND INSTRUC- TORS	Therapeutic Rooms	Whirlpool baths, massage tables, etc.	11	Group 1c plus plumbing	
STUDENTS AND INSTRUC- TORS	Special Exercise & Storage	Exercise machines; equipment storage	11	Group 1c	Convenient to Gymnasium
STUDENTS AND INSTRUC- TORS	Aquatic instruction	Swimming pool for life saving instruction, etc.	"	Group 3	Accessible from main entrance & athletic fields and adj. to locker area

ATEGORY:	CENTRAL	STRUCTURE

DIVISION: PHYSICAL TRAINING 3

A

SUBDIVISION: \_\_\_\_

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
One collegiate size basketball court (50' x 94') plus sideline space; seating for 150 on folding bleachers. Maximum clear wall space for unarmed defense training.	9,000	1	9,000
10 ft. ceiling height; maximum clear wall space. 2 areas for 24 students each	1,500	2	3,000
To accommodate 12 men for special therapeutic work	800	1	800
	2,500	1	2,500
One indoor metric pool, 25 x 50 meters. No spectator space	7,000	1	7,000

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUC- TORS	Lockers, showers and toilets	To serve all Physical Training Facilities	(To be spe- cified later)	Group 1c plus plumbing	Central — accessible from gym, pool and all other facilities and athletic fields
VISITORS AND WOMEN	Private lockers, showers & toilets	To serve women and visitors only	11	Group 1c plus plumbing	Separate from student and instruction areas.
INSTRUC- TORS &	Offices	Staff Office		Group 1c	Central & convenient to main entrance.
STAFF	Offices	Staff Assistants		Group 1c	Adj. to staff offices
	Conference and Lounge	Staff and Student Meetings		Group 1c	Convenient to staff offices and accessible to students

CATEGORY:	CENTRAL STRUCTURE	1
DIVISION:	DHYSICAT TRAINING	

SUBDIVISION: \_ \_

SPECIAL CONSIDERATIONS	NET ASSIGNABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
	4,000	1	4,000
	1,000	1	1,000
4 staff members. Space for instructors' records.	150	2	300
	100	2	200
	400	1	400
	Totals for A-3	13	28,200

#### TOTALS FOR DIVISION A-3, PHYSICAL TRAINING

Total Net Assignable Area

28,200 s. f.

Net Assignable to Gross Ratio: 69.9%

Total Gross Area

40,400 s. f.

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS	Bed-Study Rooms	Student housing		Group 2	Group in wings with convenient access to all centralized facil- ities (lobby, dining, etc.)
INSTRUC- TORS	Bed-Study Rooms	Faculty housing for short- term instructors	(To be spe- cified later)	Group 2	Locate among student bedroom groups
GUESTS	Suites	Housing for guests, visiting lecturers, etc.	11	Group 2	Near entrance lobby but in quiet area
STUDENTS AND INSTRUC- TORS	Sitting Rooms	Gathering places for informal meetings, dis- cussions	11	Group 1c	Central to group of bed-study rooms each serves
STUDENTS AND STAFF	Gun Lockers	Lockers for safe- keeping of students' hand guns	11	Group 1c	Adj. to ent. lobby
STUDENTS, INSTRUC- TORS & STAFF	Dispensary	Medical Care	"	Group 2	Central — near lobby and administration
STUDENTS AND INSTRUC- TORS	Laundry	Self-service laundry	Commercial washers and dryers	Group 1c plus plumbing	Central — to serve all student housing
HOUSING MANAGER	Office			Group 1c	Central — near entrance lobby
	Office	Assistant Manager		Group 1c	"
	Offices	Clerical, etc.		Group 1c	11
RESIDENTS OF DORMI- TORY	Mail Room	Post office for dormitory residents		Group 1c	Adj. to ent. lobby & near mail truck parking

CATEGORY:	CENTRAL	STRUCTURE	A
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DIVISION: HOUSING & DINING

SUBDIVISION: HOUSING a

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Suites composed of two 2-man rooms sharing a 4-fixture bath (2 lavs., 1 w. c. and 1 shower)	515	187 (Suites)	96,305
Individual rooms with private 3-fixture bath. Not grouped but located on various floors and wings so that arrangements invite student-instructor discussions.	160	50	8,000
Suite composed of bedroom, sitting room and 3-fixture bath	500	5	2,500
Each room serves 21 ± student bed-study rooms. Should be arranged to invite group discussion.	300	9	2,700
Attendant control of hand gun lockers, 750 required. Typical lockers 4" H x 7" W x 12" L., double-keyed	650	1	650
Follow planning guides in PBS Occupancy Guide for Federal Employee Health Units	1,000	1	1,000
(Consider attendant service for greater efficiency) Provide space for cleaning service pick-up	1,500	1	1,500
Group all 5 offices. Provide small waiting room for Manager's office	180	1	180
	120	1	120
	80	3	240
Post Office type mail boxes, rear loading, 800 required.	500	1	500

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
SERVICE PERSONNEL	Lockers, showers & toilets	Serves housekeeping personnel		Group 1c plus plumbing	Convenient to service entrance
SERVICE PERSONNEL	Housekeeping floor stations			Group 1c	Central at each floor
	Central Linen	Storage of all "linens" for house- keeping		Group 1c	Adj. to service entrance — and central service area.
SERVICE PERSONNEL	Central Service	Receiving, delivery and storage of sup- plies and equip- ment		Group 3	Adj. to service ent. & central linen room

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	HOUSING & DINING	4
SUBDIVISION:	HOUSING	a

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
50 ± personnel. Include sitting area	2,000	1	2,000
Space for carts, cleaning materials and all supplies not distributed from central service area	100	7	700
Include Manager's office and space for records, check-in, etc.	1,000	1	1,000
Include area for laundry pick-up and delivery, trash stations, furniture storage and receiving rooms and all central services required.	6,000	1	6,000
	Totals for A-4-a	270	123,395

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS, INSTRUC- TORS, ALL STAFF & PERSONNEL GUESTS	Dining Room	Dining Room		Group 2	Central — Adj. to housing and easily acces— sible from all other Central Structure Facili— ties.
KITCHEN STAFF	Kitchen and Serving Area	Food Preparation and cafeteria serving lines		Group 2, plus extra ventilation & electric power for equipment	Adj. to dining room
KITCHEN STAFF	Lockers, Showers, Toilets	Serves kitchen staff		Group 2	Adjacent to kitchen

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	HOUSING & DINING	4
SUBDIVISION:	DINING	b

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Seating for 525 at one time. Serves all students, instructors, staff and all other personnel. Open 3 hours for each three meals. Arrange for efficient servicing — is intensively utilized area. Cafeteria service.	9,075	1	9,075
Scramble-style self-service cafeteria counters. Kitchen to be capable of complete food preparation	12,000	1	12,000
40 persons (separate facilities for men and women) include lounges.	1,250	1	1,250
	Totals for A-4-b	3	22,325

SUBDIVISION:

# TOTALS FOR DIVISION A-4, HOUSING AND DINING

Subdivision	a.	Housing	Net Assignable Area		123,395 8	s.f.
		Net Assign	nable Gross Ratio: 54.	5%		
		Sub-Total	Gross Area		226,500 8	s.f.
Subdivision	b.	Dining	Net Assignable Area		22,325	s.f.
		Net Assign	nable to Gross Ratio:	58.3%		
		Sub-Total	Gross Area		38,300	s.f.
		Total Gro	ss Area		264,800	s.f.

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUC- TORS	Student Commons	Social and Recreational Center	All movable	Group 1c	Central link between housing and instruc- tional areas
	PX & Manager's Office	Display and Sales		Group 2	Adj. to commons
	Snack Bar	Provide coffee & evening and weekend snacks		Group 2	Adj. to commons
	Barber Shop			Group 2	Directly accessible from main corridor

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	COMMON USE & RECREATION	5
SUBDIVISION:	_	

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Students live on-site. The commons area provides non-instructional facilities for group use. Organize for maximum flexibility of use for large and small group gatherings for social purposes, student-instructor discussion, reading areas, space for card tables, defined space for billiards, ping pong, etc. Alternate use during peak load periods on instructional facilities: can be used for conference and discussion groups.	7,800	1	7,800
No shopping facilities near site. PX to stock items required — basic supplies, gifts, magazines, Include Manager's office in total area	3,000	1	3,000
One service counter, vending machines, and small tables arranged for maximum flexibility — single to 10 or 12 for group meetings	2,000	1	2,000
10 chairs (no facilities near site)	600	1	600
	Totals for A-5	4	13,400

## TOTALS FOR DIVISION A-5. COMMON USE & RECREATION

Total Net Assignable Area

13,400 s.f.

Net Assignable to Gross Ratio: 62.6%

Total Gross Area 21,400 s.f.

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
SERVICE & MAINTE-	Carpenter Shop	General carpenter maintenance		Group 3	
NANCE PER- SONNEL	Electrical Shop	General electrical maintenance		Group 3	
	Plumbing Shop	General plumbing maintenance		Group 3	
	Paint Shop	General painting maintenance		Group 3	
	Furniture Repair Shop	General furniture maintenance		Group 3	
	Machine Shop	Equipment repair		Group 3	
	Grounds Maintenance Shop	General site maintenance		Group 3	
MAINTE- NANCE	Office	Standard office		Group 1c	
MANAGER	Office	Clerk & records		Group 1c	

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	SERVICE & MAINTENANCE	6
SUBDIVISION:	MAINTENANCE SHOPS	2

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA			
Work benches, hand and power tools, lumber and materials storage, 5 men, Space for desk and records	1,500	1	1,500			
Work benches, hand and power tools. Materials storage, 5 men. Space for desk and records	1,000	1	1,000			
Work benches, hand and power tools. Materials storage, 5 men. Space for desk and records.	1,000	1	1,000			
Materials storage, 5 men. Space for desk and records	1,000	1	1,000			
Work benches, hand and power tools. Materials storage	1,500	1	1,500			
Work bench, power tools	500	1	500			
Garden tools and equipment, materials storage	2,000	1	2,000			
	150	1	150			
	350	1	350			
	Totals for A-6-a	9	9,000			

SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
Central Mechanical Equipment Room	Main boilers and AC equipment		Group 3	Ready access to service roads.
			-	
	Central Mechanical Equipment	Central Main boilers and AC equipment Equipment	Central Main boilers and AC equipment Equipment	Central Main boilers and Mechanical Equipment AC equipment Group 3

CATEGORY:	CENTRAL STRUCTURE	A
DIVISION:	SERVICE & MAINTENANCE	6
SUBDIVISION:	CENTRAL BOILER & A.C. PLANT	b

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Serves all Central Structure. Not intended to serve remote accessory buildings. Space is allocated for housing equipment to serve future expansion of CFLETC.	15,000	1	15,000
	Totals for A-6-b	1	15,000

## TOTALS FOR DIVISION A-6. SERVICE & MAINTENANCE

Subdivision a.	Maintenance Shops	
	Sub-Total Net Assignable Area	9,000 s.f.
Subdivision b.	Central Boiler & A. C. Plant	
	Sub-Total Net Assignable Area	15,000 s.f.
	Total Net Assignable Area	24,000 s.f.
	Net Assignable to Gross Ratio: 54.6%	
	Total Gross Area	43,920 s.f.

### TOTALS FOR CATEGORY A. CENTRAL STRUCTURE

		Net Assignable Area	Net Assignable to Gross Rate	Gross Area
DIVISION 1.	Administration & Operations	30,705	58.8%	52,200
DIVISION 2.	Instruction	104,440	55.9%	186,900
DIVISION 3.	Physical Training	28,200	69.9%	40,400
DIVISION 4.		123,395	54.5%	226,500
	& Dining	22,325	58.3%	38.300
DIVISION 5.	Common Use & Recreation	13,400	62.6%	21,400
DIVISION 6.	Service & Maintenance	24,000	54.5%	43,920
	TOTALS	346,465 s.	f.	609,620 s.f.

#### CATEGORY B. ACCESSORY STRUCTURES

DIVISION B - 1. SPECIAL TRAINING BUILDING

DIVISION B - 2. RAID AND CROWD DEMONSTRATION

DIVISION B - 3. VEHICULAR CRIME SCENE BUILDING

DIVISION B - 4. DRIVING RANGE BUILDING

DIVISION B - 5. STORAGE GARAGES

DIVISION B - 6. SERVICE GARAGE

DIVISION B - 7. SECURITY CONTROL CENTER

-					
USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS	Special Training Building				
USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS	Raid and crowd demonstration				

CATEGORY: ACCESSORY STR	UCTURES		В	
DIVISION: SPECIAL TRAINI	NG BUILDIN	G	1	
SUBDIVISION:				
				_
SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA	
This building has been programmed and is now under construction. It will serve as adjunct to the firing ranges and the motorcade area.				
CATEGORY: ACCESSORY STRU	CTURES		В	
DIVISION: RAID & CROWD I	DEMONSTRAT	TION	2	
SUBDIVISION:				
SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA	
Same as Division C-4 (see Division C-4 for full description)				

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS	Vehicular Crime Scene Building	Housing vehicles and mockups for search, seizure, and arrest technique training		Group 3	
USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS	Control Room  Classrooms  Office	Direct and electronic observation of vehicles on driving ranges  Group Instruction  Instructor		Group 1c  Group 1b  Group 1c	Within Driving Range Complex

CATEGORY:	ACCESSORY STRUCTURES	F
DIVISION:	VEHICULAR CRIME SCENE BUILDING	3
SUBDIVISION:		_

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
A simple structure, similar to an automotive service garage, to permit placement of automobiles (12) and mockups of interiors of a portion of an airplane cabin (1) and a train coach (1). Building to be enclosed and heated. Provide large overhead doors in exterior wall for movement of vehicles.	1,000	14	14,000
	Totals for B-3	14	14,000

CATEGORY:	ACCESSORY STRUCTURES	B
DIVISION:	DRIVING RANGE BUILDING	4
SUBDIVISION:		

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Elevate for direct view of driving ranges.	250	1	250
	800	2	1,600
	150	1	150
	Totals for B-4	4	2,000

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS SERVICE PERSONNEL	Training Vehicle Garage Service Vehicle Garage	Garaging cars used on driving ranges  Garaging of service vehicles		Group 3	Within Driving Range Complex  Near Maintenance
USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
SERVICE PERSONNEL	Service Garage	Maintenance and repair of service vehicles	Hydraulic lifts	Group 3	Near Service Vehicle Garage

	CATEGORY:	ACCESSORY STR	UCTURES		В	
		STORAGE GARAG			5	
SPECIAL	CONSIDERATION		NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA	
13 police-type sedans, 8 se and standard sedans	dans with special s	safety package	300 (per car)	23	6,900	
50-passenger buses 2 12-passenger limousines 4 9-passenger station wagon 2 1-ton pick-up trucks 1 Estate Tractor 1 Tow Truck 1 1-ton panel truck	3		400	18	7,200	
			Totals for B-5	41	14,100	
	CATEGORY:	ACCESSORY STR	UCTURES		В	
	DIVISION:	SERVICE GARAGE	E		6	
	SUBDIVISION: _					
			NET ASSIGN-		TOTAL NET	-

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Service bays for 4 cars and 2 buses. Gasoline pumps outside, Storage and office space	7,725	1	7,725
	Totals for B-6	1	7,725

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
SECURITY GUARD	Security Control Center	Security guard offices and entrance gate control.		Group 2	Adjacent to main vehicular entrance.

CATEGORY:	ACCESSORY STRUCTURES	E
DIVISION:	SECURITY CONTROL CENTER	7
SUBDIVISION:		

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Building to include offices, briefing room, toilets. 24-hour use (3 shifts).	1,200	1	1,200
	Totals		
	for B-7	1	1,200

# TOTALS FOR CATEGORY B. ACCESSORY STRUCTURES

		Net Assignable Area t	Net Assignable o Gross Rat	Gross e Area
DIVISION 1.	Special Training Building	No	t Included	
DIVISION 2.	Raid & Crowd Demonstration	Included und	ler Category	C
DIVISION 3.	Vehicular Crime Scene Building	14,000	90% %	15,600
DIVISION 4.	Driving Range	2,000	67.3%	2,975
DIVISION 5.	Storage Garages Training Vehicles Service Vehicles	6,900 7,200	82.4% 54.9%	8,375 13,104
DIVISION 6.	Service Garage	7,725	88.8%	8,700
DIVISION 7.	Security Control	1,200	67 %	1,800
	TOTALS	39,025 s.f.		50,554 s.f.

# CATEGORY C. OUTDOOR FACILITIES

DIVISION C -	1.	DRIVING RANGES
DIVISION C -	2.	VEHICULAR ACCIDENT SCENES
DIVISION C -	3.	DEMOLITION DEMONSTRATION
DIVISION C -	4.	RAID AND CROWD DEMONSTRATION
DIVISION C -	5.	ATHLETIC FIELDS
DIVISION C -	6.	CIRCULATION
DIVISION C -	7.	PARKING
DIVISION C -	8.	EROSION CONTROL RESERVOIR
DIVISION C -	9.	LANDSCAPED AREAS
DIVISION C -	10.	SITE UTILITIES

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS	Pursuit Driving Range	Training in high speed automobile pursuit		Lighting	Remote from Central Structure
	Skid Pan	Training in skid control of auto- mobiles	control of auto-		Within pursuit driving range loop
	Skill Driving Pads	Training in low- speed maneuvering of automobiles	speed maneuvering		п
	Defensive Driving Range	Training in city driving		Lighting	**
USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS	Vehicular Accident Scenes	Training in accident investigation		Lighting	

CATEGORY:	OUTDOOR FACILITIES	(
DIVISION:	DRIVING RANGES	
SUBDIVISION:		

SPECIAL CONSIDERATIONS	NET ASSIGNABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Two lane paved road in 1-1/4 mile closed circuit. (See drawing in Attachment B.)		1	± 76 acres
Concrete paved area with water nozzles embedded around perimeter of paved surface.	Approx. 81,000s.f.	1	Included above
Approach drive on two ends. (See drawing in Attachment B)			
Concrete paved areas with single access drive (see drawing in Attachment B.)	Approx. 19,600 s.f.	4	Included above
Simulation of city streets. (See drawing in Attachment B.)	Approx. 6 Acres	1	Included above
	Totals for C-1	7	± 76 Acres

CATEGORY:	OUTDOOR FACILITIES	0
DIVISION:	ACCIDENT SCENES	2
SUBDIVISION:		

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Simulated automotive accidents involving one to three cars, Scenes set up on shoulders of internal service roads. Do not combine with Driving Ranges. (See drawing in Attachment B.)	1,500 s. f.	6	9,000 s.f
	Totals for C-2	6	9,000 s.f.

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS	Demolitions Demonstra- tion	Training in use of explosives		Lighting	Remote from all other buildings and activities
USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS	Raid and Crowd Demon- stration	Training		Lighting	Remote from other facilities
					and the second s

CATEGORY: OUTDOOR FACIL	LITIES		C
DIVISION: DEMOLITIONS D	EMONSTRAT	ION	3
SPECIAL CONSIDERATIONS	NET ASSIGNABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Cleared area away from all other facilities for detonation of explosive charges, incendiary devices, etc. Also to serve as skeet range	8 acres	1	8 acres
	Totals for C-3	1	8 acres
CATEGORY:OUTDOOR FACI	LITIES		C
DIVISION: RAID & CROWI	DEMONSTR	ATION	4
SUBDIVISION:			_
SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Facilities include a paved street with suburban street lighting, natural woodland, an open field and the following structures  A one-story dwelling with basement, attic and attached garage; masonry or masonry veneer construction, interior partitioning with 3/4" plywood finish, lighting and inoperable plumbing fixtures.  False-front buildings, 6 row houses and one storefront, frame construction with platforms and stairs behind the fronts.  Approximately 2,500 s. f. of semi-finished construction. See drawing in Attachment B.)	3 acres	1	3 acres

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS AND INSTRUCTORS	Athletic fields	Physical training and recreation		Lighting for tennis and hand- ball courts	Adjacent to Physical Train- ing Building
					fav
USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS, STAFF & PUBLIC	Roads and walks	On-site circulation, pedestrian and vehicular		Lighting, storm drainage	

	CATEGORY:	OUTDOOR FACIL	TTES		C
	DIVISION:	ATHLETIC FIELD	os		5
	SUBDIVISION:				
SPECIAL C	ONSIDERATIONS		NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
One regulation size football fie Four softball diamonds Six tennis courts Eight hand ball courts One regulation size soccer fiel			12 acres	1	12 acres
			Totals for C-5	1	12 acres
	CATEGORY:	OUTDOOR FACIL	ITIES		C
	DIVISION:	CIRCULATION			6
	SUBDIVISION:				
SPECIAL C	ONSIDERATIONS		NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
A simple network of paved two appropriate, adjacent sidewalk Few, if any, separate service	s for access to al	where Il facilities.	Areas to by design	be dete	

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
STUDENTS, STAFF & PUBLIC V.I.P.'s	Surface parking  Surface parking	General parking area, both short and long-term.		Lighting, storm drainage Lighting, storm drainage	Adjacent to Administrative Offices and main entrance to Central Structure
USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
SERVICE PERSONNEL	Erosion Control Reservoir Fire protection reserve	Impound silt resulting from construction  Instructional and recreational use			

CATEGORY:	OUTDOOR FACILITIES	
DIVISION:	PARKING	
SUBDIVISION:		

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Paved, uncovered, parking surface	300	677	203,100
Paved, uncovered parking surface. For the Board of Directors (7) and one for each participating Agency (16).	300	23	6,900
	Totals for C-7	700	(approx. 5 acres) 210,000

CATEGORY:	OUTDOOR FACILITIES	C
DIVISION:	EROSION CONTROL RESERVOIR	8
SUBDIVISION:		

	SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
	An impounded lake created in existing stream valley. Lake is held by an earth, stone and concrete dam approximately 500 ft. long and 13 ft. high.	Approx. 20 acres	1	20 acres
-		Total for C-8	1	20 acres

USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
	Lawns and planting  Fence	Site Security			
USERS	SPACE DESIGNATION	FUNCTION	SPECIAL FURN/EQUIP	SERVICES	RELATION TO OTHER SPACES
	Site Utilities	Provision of sewer, water, electric, etc. services			

CATEGORY:	OUTDOOR FACILI	TIES		C		
NET ADDICE NO OF						
SPECIAL CONSIDERATIONS		NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA		
ormal landscaping around structures and parki lanting for erosion control along roads and cuts		To be det of site pla		by design		
arge areas of natural woodland to be preserved lear underbrush along edges of cleared areas.	except to					
foot high chain link fence around perimeter of	entire site					
CATEGORY:	OUTDOOR FACIL	LITIES		C		

C

10

SPECIAL CONSIDERATIONS	NET ASSIGN- ABLE AREA PER SPACE	NO. OF SPACES	TOTAL NET ASSIGNABLE AREA
Structure required in connection with utility	3,300	1	3,300
distribution systems	1.00		
	Total for C-10	1	3,300

DIVISION: SITE UTILITIES

SUBDIVISION:

### TOTALS FOR CATEGORY C. OUTDOOR FACILITIES

DIVISION 1. DRIVING RANGES 76 acres

DIVISION 2. ACCIDENT SCENES 1/5 acre

DIVISION 3. DEMOLITIONS
DEMONSTRATION 8 acres

DIVISION 4. RAID & CROWD
DEMONSTRATION 3 acres

DIVISION 5. ATHLETIC FIELDS 12 acres

DIVISION 6. CIRCULATION To be designed

DIVISION 7. PARKING 5 acres

DIVISION 8. EROSION CONTROL
RESERVOIR 20 acres

DIVISION 9. LANDSCAPED AREAS To be designed

DIVISION 10. SITE UTILITIES

3300 net assignable square feet

TOTAL

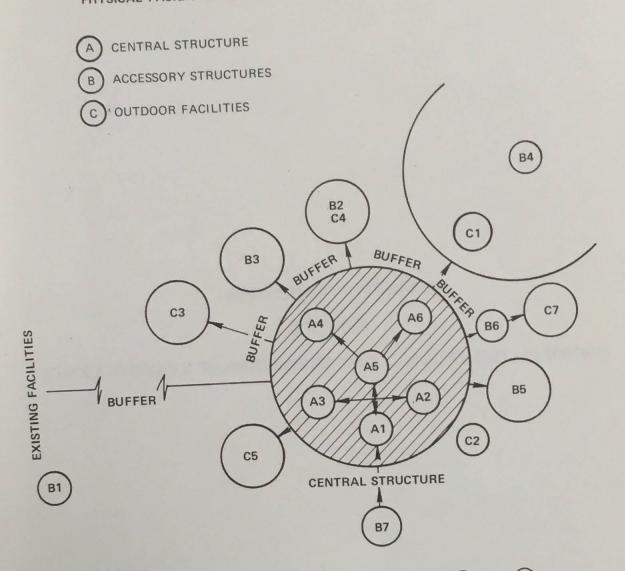
124 acres, plus structures to be designed.

### DIAGRAMS AND DRAWINGS

FOR THE

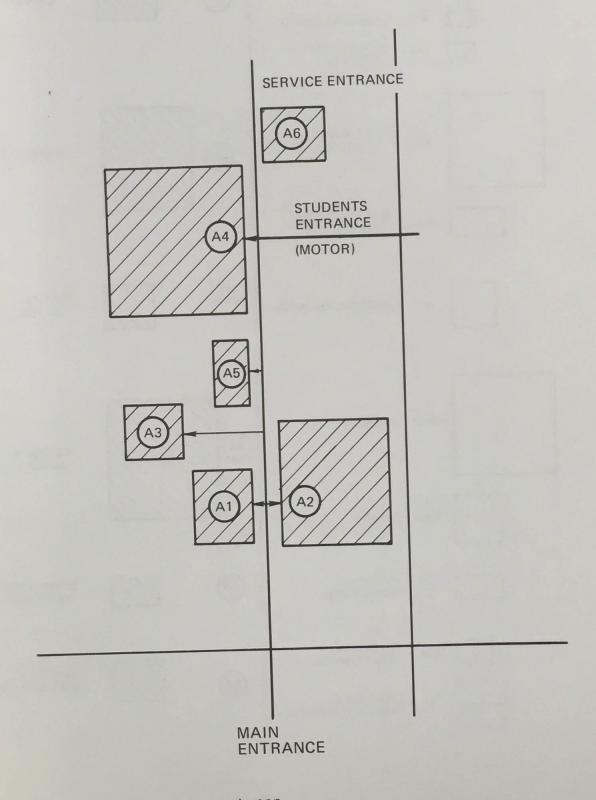
CONSOLIDATED FEDERAL LAW ENFORCEMENT TRAINING CENTER

## PHYSICAL FACILITY CONCEPT



FOR EFFICIENT SCHEDULE PLACE (A) AS CLOSE TO (B) & (C)
AS POSSIBLE

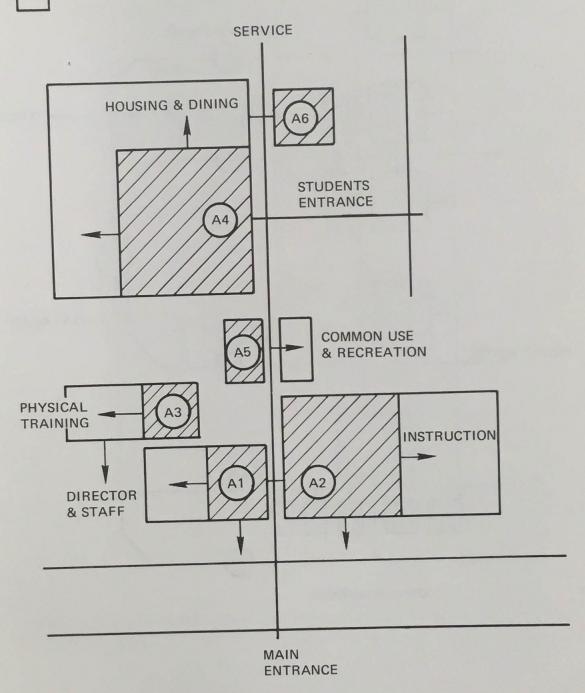
	A1a	DIRECTORS & STAFF LEARNING RESOURCE			ADMINISTRATION
	A1b	CENTER	A1		ADMINISTRATION & STAFF
	A1c	COMPUTER CENTER			
	A1d	ADMINISTRATIVE SERVICES			
3			1		
3	A2d	INSTRUCTIONAL CLUSTERS	A2		INSTRUCTION
	A2b	SPECIAL CENTRAL INSTRUCTION		////	
	А3	PHYSICAL TRAINING	} (A3)		PHYSICAL TRAINING
			]		
	A4a	HOUSING	A4)		HOUSING & DINING
	A4b	DINING			
	] A5	COMMON USE RECREATION	} (5)		COMMON USE & RECREATION
	A6a	SERVICE & MAINTENANCE	A6)		SERVICE & MAINTENANCE
	A6b	HEATING & AIR CONDITIONING		7777	



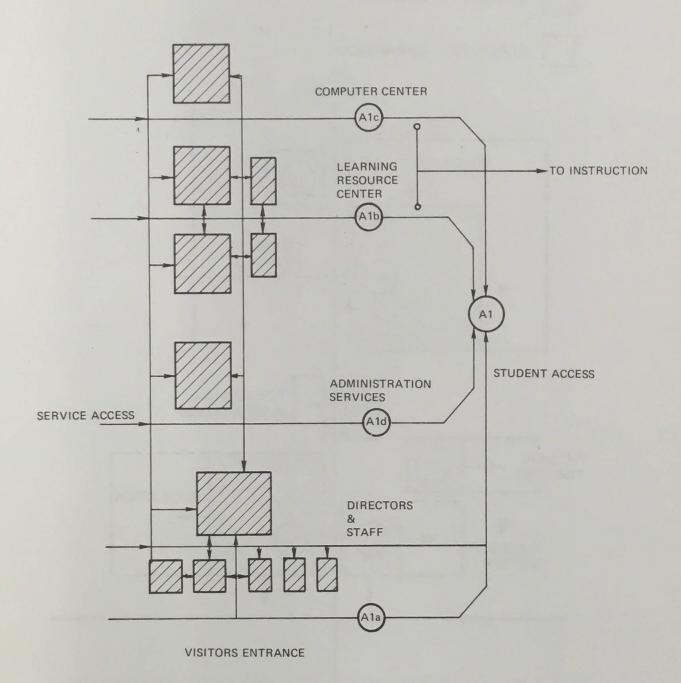
(A) CENTRAL STRUCTURE

STAGE #1 - PRESENT

STAGE #2 - EXPANSION

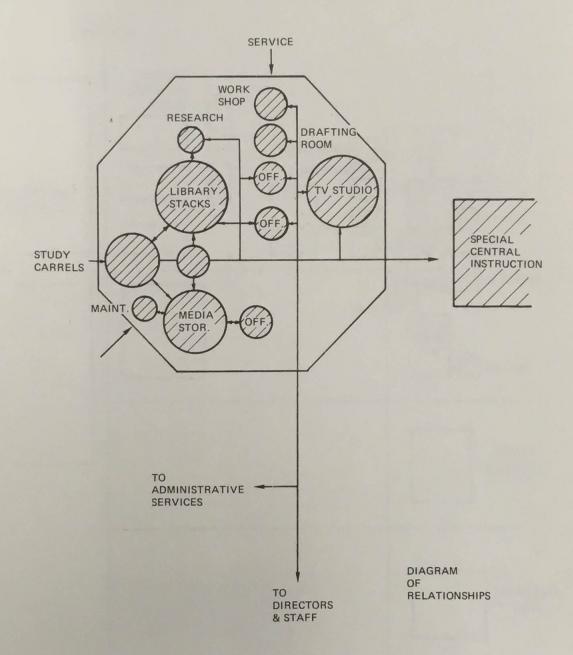


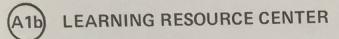
# (A1) ADMINISTRATION & OPERATIONS



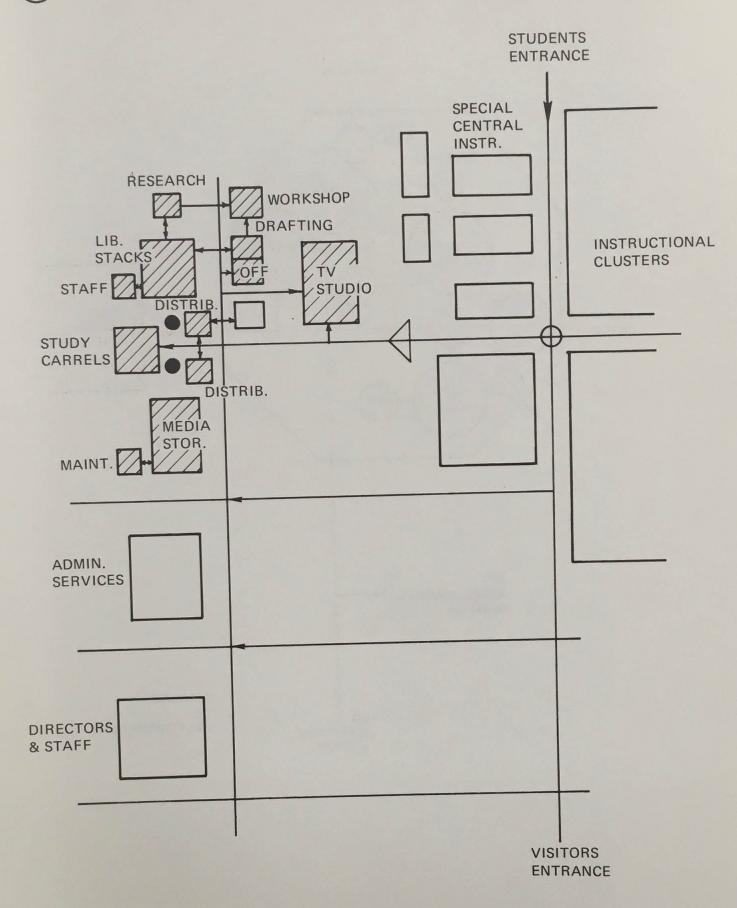
A-114









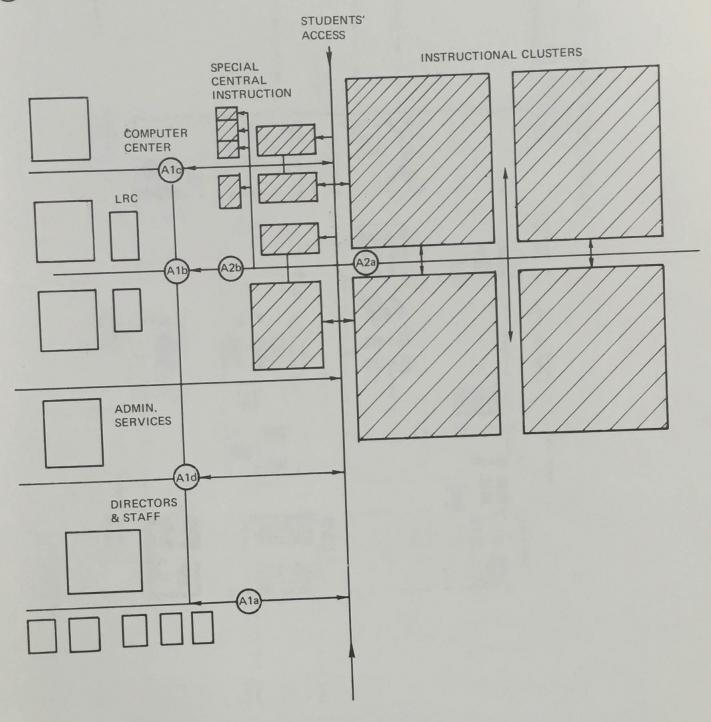


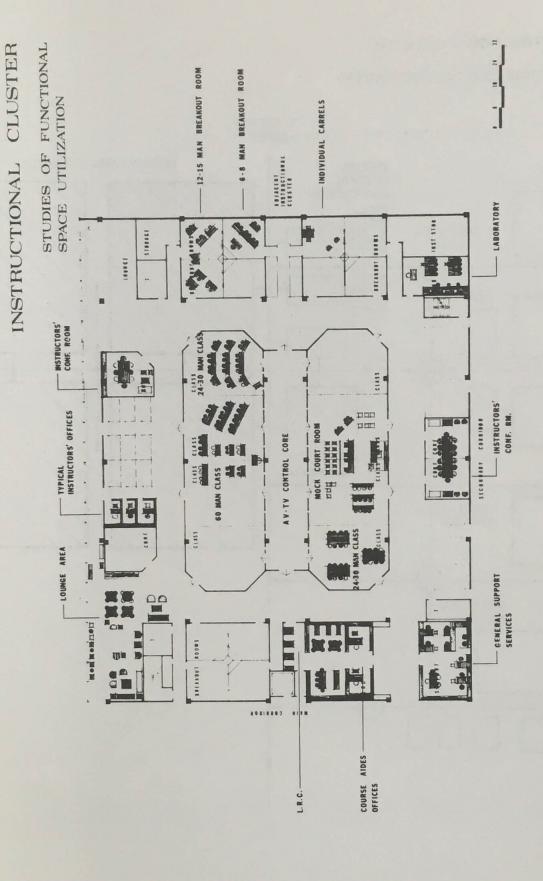


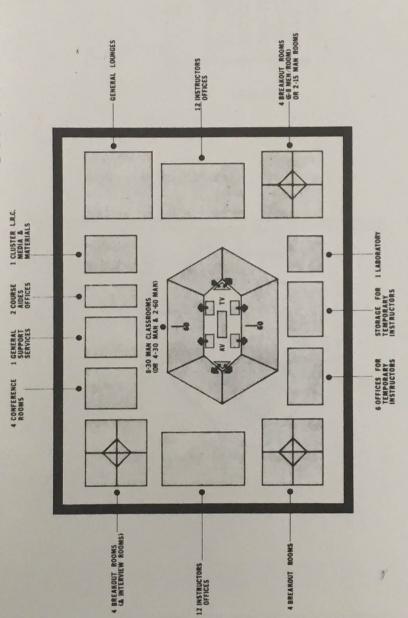
### INSTRUCTIONAL CLUSTERS



### SPECIAL CENTRAL INSTRUCTION

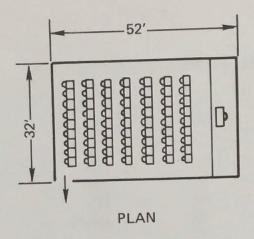


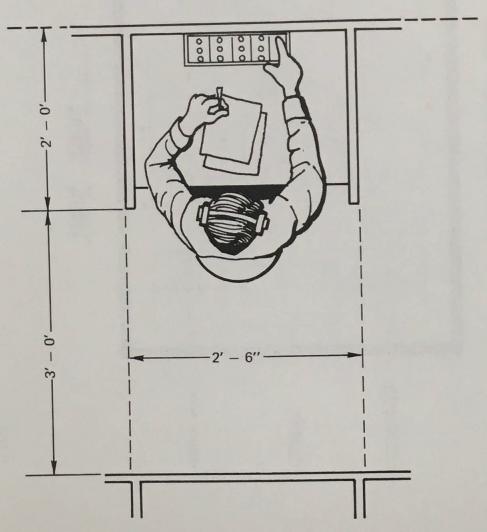




A NO FUNCTIONAL
POSITION DETERMINATION







TYPICAL LANGUAGE LEARNING STATION

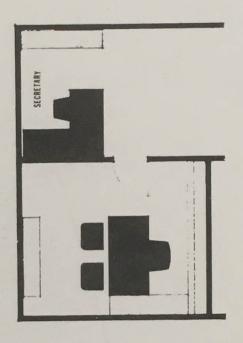
# TYPICAL SPACE STUDIES

DIRECTED TOWARD FLEXIBILITY AND STANDARDIZATION OF FURNITURE AND EQUIPMENT



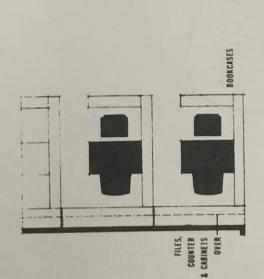
CLASSROOM SEATING

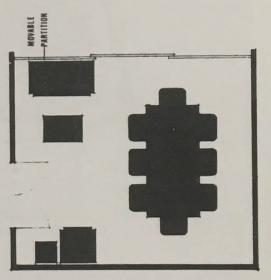
INSTRUCTORS' WORK STATIONS

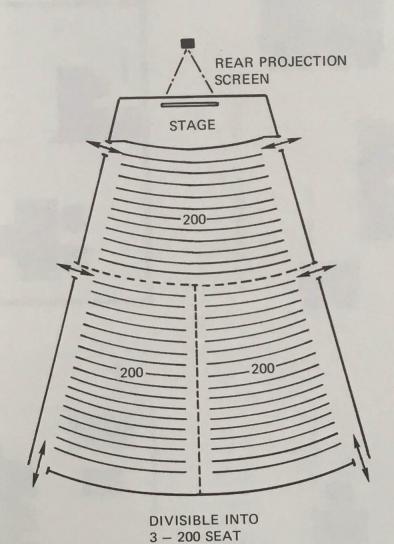


INSTRUCTORS'
CONFERENCE ROOMS

ADMINISTRATIVE OFFICES

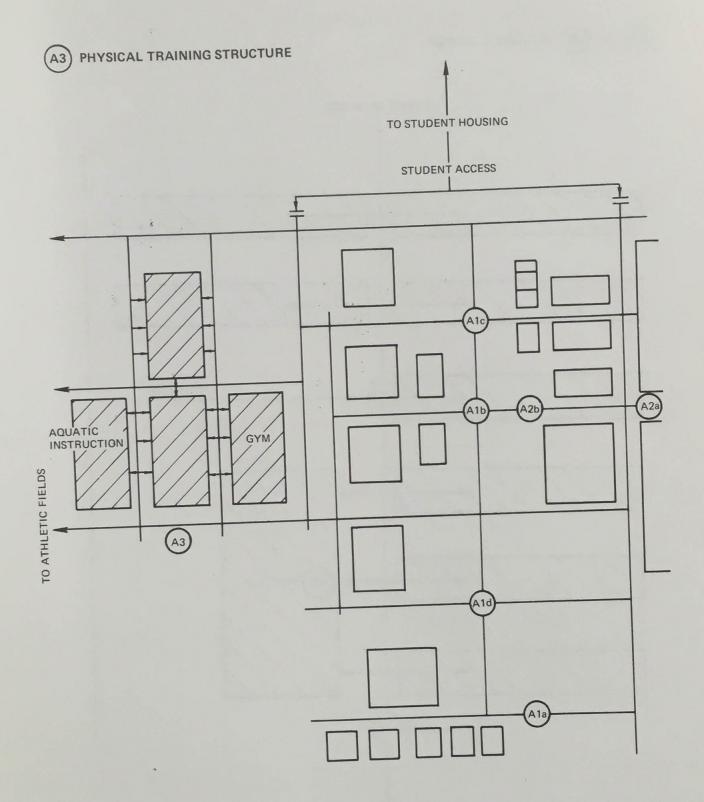




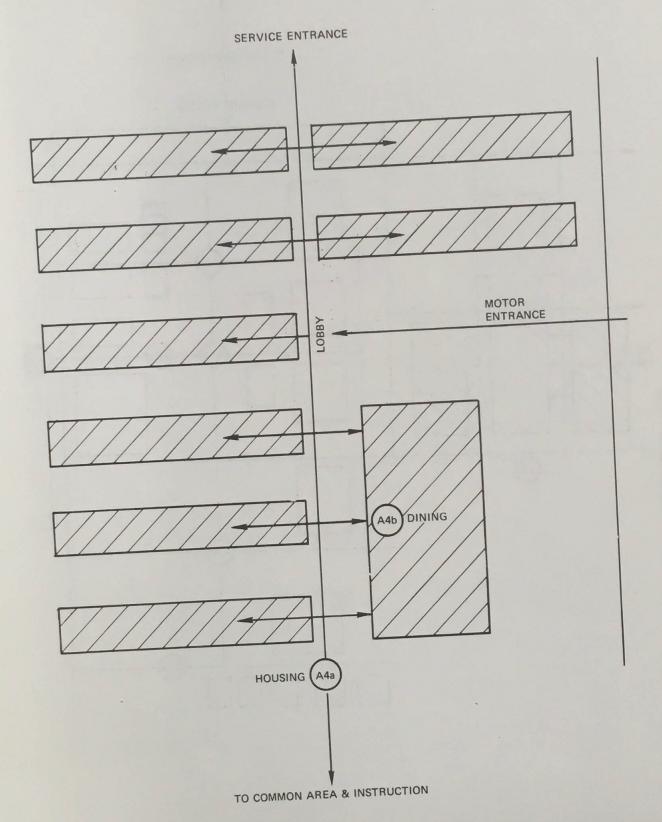


PLAN

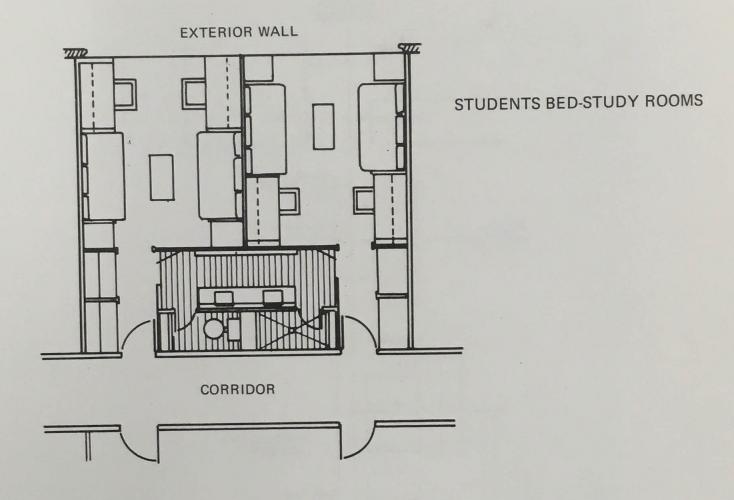
LECTURE AREAS WITH MOVABLE PARTITIONS

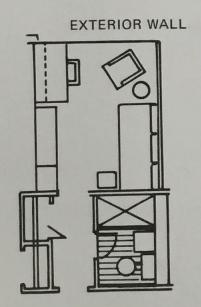




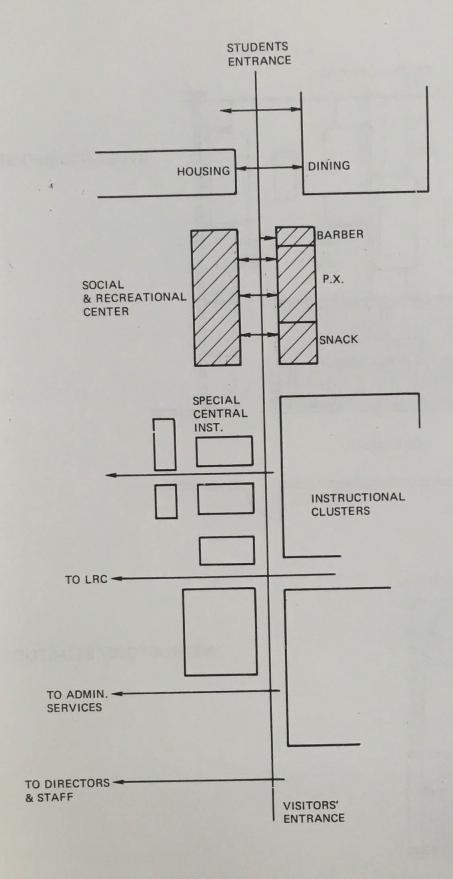


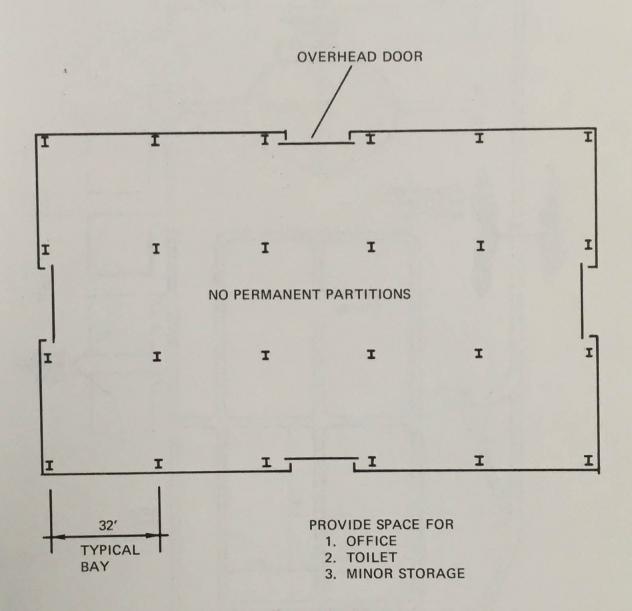




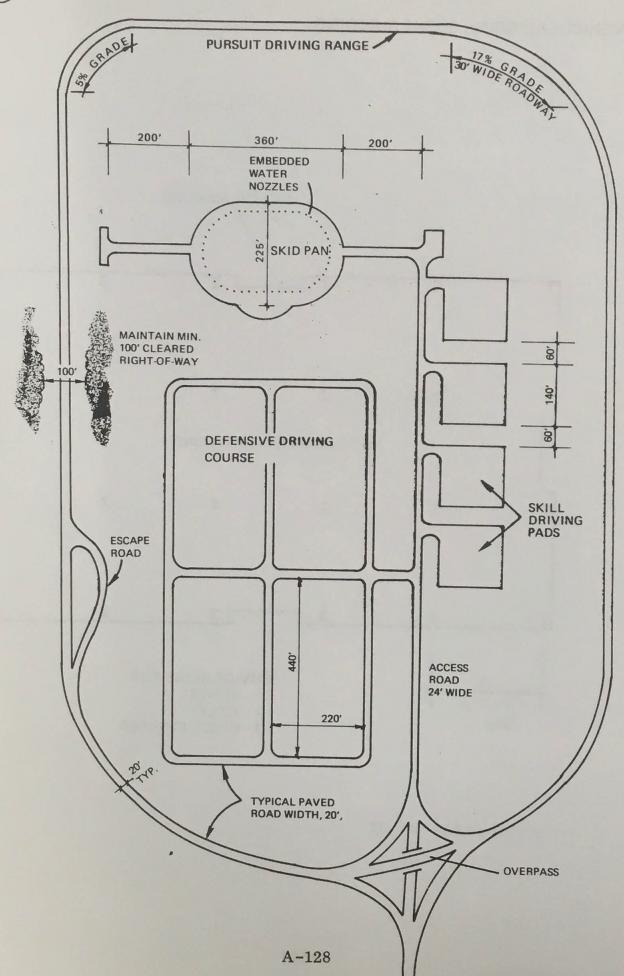


**INSTRUCTORS' BED-STUDY ROOMS** 

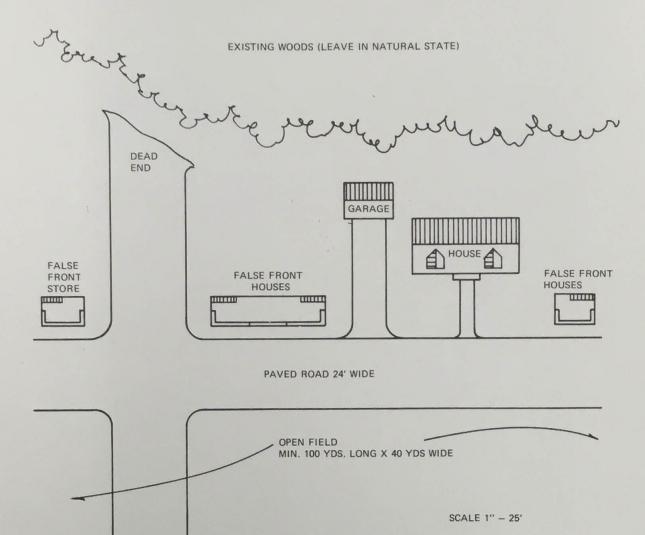




SCALE: APROX 1" = 32"



## (C4) RAID & CROWD DEMONSTRATION AREA





# **PROPOSAL**

## A CONSOLIDATED

## FEDERAL LAW ENFORCEMENT

## TRAINING CENTER

Prepared Jointly By: Bureau of the Budget

Civil Service Commission
White House Staff
Treasury Department
Justice Department
Interior Department
Post Office Department
Department of State
Department of Transportation
Smithsonian Institution
General Services Administration
D. C. Metropolitan Police Department

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Part II - Organizational Environment	8
Part III - Internal Organization and Staffing	16
Part IV - Funding	19
Part V - Location	22
Part VI - Facilities and Equipment	26

# Appendices - Separate Volumes

- 1. Recruit Training Requirements (Criminal Investigator)
- 2. Recruit Training Requirements (Police)
- 3. Advanced, In-Service and Refresher Training Requirements

#### SUMMARY

PROPOSAL:

CONSTRUCT A MODERN LAW ENFORCEMENT TRAINING FACILITY IN

THE AREA NORTHEAST OF THE INTERSECTION OF POWDER MILL ROAD

AND THE BALTIMORE-WASHINGTON PARKWAY, BELTSVILLE, MARYLAND.

THE FACILITY WILL BE USED JOINTLY BY THE PARTICIPATING

AGENCIES TO PROVIDE TRAINING FOR 20 GROUPS OF FEDERAL

LAW ENFORCEMENT OFFICERS.

OBJECTIVE:

To provide the participating agencies with adequate, modern facilities for conducting law enforcement training in an effective, economical manner.

JUSTIFICATION:

All of the Federal agencies participating in this proposal are urgently in need of modern facilities with which to train their law enforcement agents. Some have neither training programs nor training facilities. Others have only classroom space or minimal, even primitive, facilities. None have adequate facilities at the present time, nor are suitable facilities available from other sources.

Individually, none can fully utilize a complete, fully modern facility. Collectively, they can provide a higher level of instruction by pooling their resources; achieve more effective utilization of a complete facility; as well as derive many additional advantages from joint use and consolidation of common training courses.

CONCEPT:

The consolidated Federal Law Enforcement Training Center will be jointly sponsored and controlled on a cooperative basis by the participating agencies.

A core staff will conduct the common training for the agencies, carry out research in law enforcement training methods and curriculum content, operate and maintain the physical plant, and provide necessary support services, under the administrative supervision of the Secretary of the Treasury, with funds obtained by a separate appropriation.

Training unique to a particular group of agents will be conducted by the individual agency, using the central facilities, but with the direct expenses met by the participating agency.

SCOPE:

Physically, the consolidated Federal Law Enforcement

Training Center will be designed to provide the necessary

facilities and equipment for conducting recruit, advanced,

specialized, and refresher training for law enforcement personnel of the participating agencies listed in Exhibit "A."

The Center will provide facilities for the conduct of all

law enforcement and law enforcement-related training for

these agencies, including selected remedial courses

necessary to supplement law enforcement training to the

extent that such training can most effectively be conducted at the Center.

The Center will be designed to provide facilities for training of other law enforcement personnel, including State and local police officials, to the extent that such training is required in the performance of the mission of a participating Federal agency or is an assigned function of a participating Federal agency.

The agencies will continue to rely on universities for basic education and knowledge of academic disciplines, preparation for professional careers, broad learning about our society, and for horizon stretching for selected experienced career officers. Other Federal agency programs and facilities for management or administrative training and for vocational training in fields other than law enforcement, even though the duties are performed by law enforcement personnel, will continue to be used. Field organizations will also continue to conduct local training to maintain proficiency or update operating skills, as required by individual agency policies. However, for those local training programs of field organizations of the participating agencies located in the Washington area, facilities will be available in the consolidated Training Center.

The facility will consist of a campus-like training center with modern classrooms, ranges, specialized training areas and equipment, dormitories, support facilities and services to accommodate 700 resident students at any given time. It is estimated that the initial cost of planning and constructing the facility, including installed equipment, in addition to the current construction of Secret Service range facilities, will be about \$18 million:

	\$ MIIIIONS
Design, engineering, supervision, etc.	\$ 1.676
Equipment	.860
Improvements	14.532
Contingencies	1.005
Total	\$18.073

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Annual costs of maintenance and operation of the facility, exclusive of faculty salaries and the administrative expenses of conducting training, are estimated to be \$550,000.

Steering Committee Staul Charles F. Parker (Chairman) Grant Wright Interior Department Bureau of the Budget John J. Beall Post Office Department Civil Service Commission Keith O. Lynch Charles Sither White House Staff Charles C. Humpstone Treasury Department et calen a line Inspector Francis Conley Wesley A. Pomeroy D. C. Metropolitan Police Justice Department Department

### BACKGROUND

An internal staff study of Federal law enforcement training was completed in mid-1967 by the Bureau of the Budget. Major findings of the study were:

- equipped with knowledge and skills in the techniques of the prevention of crime and criminal investigation. Nearly all new Federal agents are recruited with no experience or education in law enforcement. It is therefore incumbent upon the agencies to provide the necessary training in order to accomplish their missions. This responsibility was emphasized by the President's statement in Executive Order No. 11348, April 20, 1967, that "...It is the policy of the Government of the United States to develop its employees through the establishment and operation of progressive and efficient training programs, thereby improving public service, increasing efficiency and economy, building and retaining a force of skilled and efficient employees, and installing and using the best modern practices and techniques in the conduct of the Government's business...."
  - 2. Millions of dollars of Federal funds are being provided for training State and local law enforcement officials and for training foreign police officials. However, except for the Special Agents of the FBI, very little funds are available for the Federal agents.

    Neither the Law Enforcement Assistance Act of 1965 nor the Omnibus Crime Control and Safe Streets Act of 1968 provided funds for training Federal law enforcement officers. The regional police academies contemplated

under this legislation were found to be unsuitable for training the Federal agents covered by this study because of their primary orientation to State and local police operations and the absence of national standards to assure comparability.

- Federal agents. They ranged from no formal training to a maximum of 18 weeks, although the duties and responsibilities are quite similar and the training facilities needed are very nearly identical.
- 4. The training facilities being used by the agencies included in the study are inadequate at best. In some cases, there were no training facilities at all. With few exceptions, those groups that have some facilities available have acquired them only through unusual and outstanding efforts on the part of the individual agents or officers who have constructed, renovated, and maintained the facilities on their own time with materials and equipment obtained through personal channels. This is particularly true of the firearms ranges. The only adequate law enforcement training facilities the survey team found, operated by the Federal Government, were the International Police Academy, training foreign police officials exclusively; the new FBI Academy being built at Quantico, where the majority of trainees will be State and local police officials; and some of the facilities of the military services in the Department of Defense.
  - 5. The Federal law enforcement agencies are too small to justify the construction of an adequate modern training facility for each group of agents. The agent groups studied ranged in size from 21 to 1,800.

The annual recruit training workload ranged from 1 to 200. A minimum modern training center, including classrooms, equipment, ranges, and other necessary facilities, could not be fully utilized by any one of the groups.

have a positive need for training facilities located in the Washington

area. For the remainder, no overwhelming arguments were presented

which would dictate any particular location.

The agencies involved in the study concurred in the findings and initiated a joint effort to develop detailed plans for the establishment of a consolidated, interagency training center to provide training for their law enforcement personnel. These plans have been approved by, and are supported by, the members of the ad hoc Steering Committee appointed by each of the participating agencies.

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#### PART I - TRAINING REQUIREMENTS

The content of the recruit training programs is the foundation upon which all other planning must be developed if a consolidated Training

Center is to succeed. To assure the most firm foundation possible, the new recruit programs proposed for the Center were developed using an approach quite different from traditional methods. This approach, adapted from the military agencies' methods of developing weapons systems, uses a systematic analysis of the objective as a starting point. In this case, the objective is the job performance required by the new law enforcement officer or agent during the early months of his employment. The total system is then developed to provide the recruit with the specific knowledges and skills necessary to equip him for actual performance. A brief description of the method used is set forth in Exhibit "B."

Analyses of the jobs revealed that, of the groups of agents participating in the Center, 75% recruit new personnel with no background in law enforcement. These groups all require formal training before the new agents are given their initial work assignments. Two programs, one for criminal investigators and one for police officers, will provide about 75% of the total 430 man-years of recruit training required. Over half of the groups require additional specialized training for recruits because of the unique responsibilities of the agencies. These specialized programs will provide the remaining 25% of the recruit training and will be conducted by the individual agencies, utilizing the physical facilities of the Center.

Training for experienced agents includes advanced, in-service and refresher training as well as various types of specialized training for State and local police and other non-Federal officials. For the most part, the content of these programs changes constantly on the basis of the current law enforcement situation, new legislation and court rulings, differences in program emphasis, and similar factors. The type of analysis used for recruit training would have less application and less validity for long-term planning for such programs. These requirements, therefore, were developed individually by the agencies, based on currently approved long-range program plans, with emphasis on the student load and time required for each course, rather than on subject matter and teaching methods. Such a gross analysis is considered valid for facilities and personnel planning but will require updating as the Center develops. As common areas of training are identified, the Center will begin to offer advanced, in-service and refresher training as a part of the core curricula, under the supervision of the board of directors.

The total training requirement, more fully described in Appendices 1, 2, and 3, consists of:

	Manyears Annually
1.	Basic Police Recruit Program 127.0
2.	Agency Specialized Police Recruit Programs 50.0
3.	Basic Criminal Investigator Recruit Programs 194.0
4.	Agency Specialized Criminal Investigator Recruit Programs. 57.5
5.	Agency Advanced, In-Service & Refresher Programs (Federal Agents)
6.	Agency Programs for Non-Federal officials
	Total Workload

For planning purposes, it was assumed that the Basic Recruit Programs to be conducted by the Center staff could be scheduled on the basis of an average 48-hour week since a large part of the training consists of physical activity by the student. Physical conditioning, self-defense tactics, driver training, lifesaving, night exercises of various types, and other outdoor activity should provide sufficient variety to assure that students are not overloaded with the usual classroom work. On this basis, the common criminal investigator and police programs will run 11 and 13 weeks, respectively. For the specialized programs, an average of 40 hours per week was used, recognizing that at least one agency prefers to provide classroom time for reading assignments and permit travel to and from training programs during working hours.

Although there are few changes in subject matter in the proposed

recruit programs, as compared with traditional law enforcement programs, major differences have been introduced in instructional strategies, teaching methods, and instructional media. Heavy emphasis is placed on practical exercises, student participation, and student response systems, rather than on the usual one-way transmission of information from teacher to student. Consequently, a considerable amount of time will be required to prepare new training material, run experimental courses, evaluate learning and testing capabilities, and firm up the programs. This can be done through existing installations and through cooperation with colleges and universities and local police schools before the Center is completed. However, the best information available at this time indicates that the overall facilities requirement and training times will not be changed significantly.

As the Center develops, college or university affiliation should be established to obtain degree credits for work completed at the Center, as is now done at many of the agency training centers and local police academies. This should continue to foster and promote continuation of formal education by the Federal officers in accordance with the recommendations of the President's Commission on Law Enforcement and Administration of Justice and the Presidential Task Force on Career Advancement. Arrangements can also be made for local colleges and universities to conduct after-hour courses at the Center, similar to the arrangements for such training now being given at the Park Police Training Center and other Federal installations.

#### PART II - ORGANIZATIONAL ENVIRONMENT

The organizational arrangement for the consolidated Center, as currently planned, will be unique in the structure of the Federal Government. The nearest precedent that could be found is the Oceanographic Data Center, operated by the Navy Department, as a cooperative effort by several agencies with a common interest. The primary difference between this and other structures is the high degree of autonomy desired for the Law Enforcement Center and the extent of control to be exercised by a board of directors. All known precedents, including the Oceanographic Data Center, place the primary control of such an activity in the hands of one agency, with the governing bodies having only an advisory role. Control by the governing bodies is usually exercised through the control of funds which are made available to the activity by the participating agencies.

In the case of law enforcement, a primary concern is the need for the agencies to assure that the quantity and quality of training provided their respective law enforcement agents is consistent with the critical nature of the occupation. These are responsibilities which cannot be relinquished and over which the agencies must retain control. At the same time, it is desirable for a small activity, such as the proposed Training Center, to take advantage of the professional support services and administrative mechanisms of a large existing agency rather than try to develop its own capabilities on a small scale. To do so, however, requires that some measure of administrative control be surrendered to the operating agency, particularly in the support services and

administrative procedures areas. The proposed arrangement attempts to capture the maximum benefits from an administering agency with a minimum loss of control over the substantive training functions.

#### General Framework

It is therefore proposed that the Center be established as an organizational element of an existing department which will serve as the "lead agency" for the Center, providing administrative supervision and support thereto. Such an arrangement, utilizing agreements between the "lead agency" and other departments being serviced, is authorized for training programs by Chapter 41, Title 5, U.S.C., cited as "Government Employees Training Act." This organizational placement of the Center permits certain of its common administrative and special staff support requirements to be met by the existing administrative systems and professional staff capabilities of the lead agency with a minimum of additional expense.

The Center will be established by formal agreement between the heads of the participating agencies, supported by a Presidential Memorandum to the lead agency. A proposed draft of the agreement is enclosed as Exhibit "C."

Special legislation is not required to establish the Center as a part of an existing department within the executive branch of the Government. The establishment of such a single facility in which to conduct the training programs for Federal agents of various law enforcement organizations is in keeping with congressional intent and objectives stated in Chapter 41, 5 U.S.C. This Act requires each department to

place in effect a program for the training of employees in Government facilities and non-Government facilities in order to raise the standard of performance by employees of their official duties to the maximum possible level of proficiency. This Section also provides that two or more departments jointly may operate under any such training program, and that the training program of each department shall provide for the utilization of facilities under the jurisdiction of other departments.

Under the lead agency concept, the determination of the department to be designated this responsibility takes into consideration matters of cognizance, scope of interest, and areas of competence. Based on these considerations, the Treasury Department will be designated as lead agency.

Seven independent agencies of the Federal Government contain the 20 law enforcement groups which will utilize the Center. Each of these agencies will have a keen interest in the operation of the Center in terms of curriculum and course content, training facilities, and end results of its training programs. However, those agencies having the greater number of law enforcement corps and agents, and consequently providing the greater portion of the workload of the Center, will of necessity have a greater interest in its operation and should assume proportionate responsibility therefor.

It is estimated that a total of about 14,000 agents will be authorized for these law enforcement groups by the FY 1973-74 period. Approximately 40% of the agents will be in the various Treasury Department components,

30% in the Justice Department, 16% in the Interior Department, and
12% in the Postal Inspection Service. The Department of State and the
Smithsonian Institution will have about 135 agents by FY 1973-74.

Thirty-eight percent of the 1400 Federal agent recruits to be trained
annually will be for Treasury and will require 272,000 hours of training.

Twenty-six percent will be for the Justice Department and will require
197,000 hours of training. Post Office and Interior will each have about
15% of the annual recruits. Therefore, in terms of the total potential
workload of the Center, the agencies having the predominant matters of
cognizance and scope of interests are Treasury and Justice, in that order.

In addition to having the major interest in the Center, in terms of workload, the Treasury Department has operated a consolidated Law Enforcement School since 1956 which has provided basic training to investigator personnel from all law enforcement units within Treasury as well as agents from other Federal agencies. The investigative missions of these organizations have ranged from the prevention of illegal narcotics activities to the identification of income tax fraud. Through the successful operation of this school, Treasury has established the principle that law enforcement agencies with diverse objectives are able to conduct a significant portion of their training together, and has demonstrated its competence in administration of such a consolidated training facility. It also has an experienced instructor staff that can furnish the nucleus of the Center staff.

## Interactions and Responsibilities

In order that each agency utilizing the training services and facilities of the Center may have a voice in the determination of training policy and programs and in the resolution of conflicts between training requirements, a board of directors will be established consisting of a member from each participating agency. The responsibilities of the board, each participating agency, and the lead agency are described below. The interaction required among these organizations in connection with the broad functional areas of Center administration, basic recruit training, and advanced, special, and refresher training are set forth in Exhibit "D."

### Board of Directors

The board of directors will have final authority over training policy, programs, criteria, and standards of the Center and for resolving matters of conflicting training requirements. This authority includes:

- Approval of training policies for common training;
- Criteria for identification of common training needs and approval of recruit, advanced, in-service, and refresher training courses conducted by the central staff;
- Establishment of criteria for, and approval of, common training curriculum and individual course content and teaching techniques for all common training conducted by the central staff;
- Establishment of priority systems governing the scheduling of courses and use of facilities;

- Establishment of policy as to student residence requirements, leave, and other matters of student administration;
- Approval of student performance evaluation system;
- Establishment of criteria for the position of Center Director and approval of the selection of a Director;
- Establishment of criteria for instructor positions for the Center staff; and
- Approval of the Center budget as to meeting program requirements.

It is proposed that the board of directors be made up of one representative from each participating department or independent agency. The Training Center Director will serve as Executive Secretary and provide the board with such support as is required. The Bureau of the Budget and the Civil Service Commission will be asked to designate associate non-voting members to provide the board with advice, assistance and counsel concerning the functioning of the Center as a cooperative, interagency training activity. The board will be expected to develop its own mechanisms for its functioning, including such items as the method of selecting a chairman, length of term for the chairman, voting procedures, and frequency of meetings, within the framework of the interagency agreement as it emerges in final form.

## Participating Agency

Each participating agency, in addition to representation on the board of directors for training policy and program matters, will furnish the Center timely information as to its requirements for basic recruit

training and other common training, requirements for facilities and support services for special training, and will design and conduct special training of its agents using Center facilities. More specifically, each participating agency will:

- Recommend training policy to the board;
- Develop and furnish requirements for types and degree of training for its recruits;
- Provide information as to specific subject matter and facilities required in individual courses;
- Provide scheduling preferences and any special requirements as to periods to be used for training;
- Provide timely information as to workload requirements in terms of numbers of students by type of training per year;
- Select students to attend the Center and pay travel and per diem expenses; and
- Evaluate the effectiveness of training provided by the Center and advise the Center and the board of directors of results.

### Lead Agency

Broadly, the lead agency is responsible for providing administrative guidance and support to the Center, including evaluation of its administrative policies and practices. More specifically, the staff offices of the lead agency will provide support and assistance to the Center in the development and periodic evaluation of such matters as:

- Organizational structure, management systems, and administrative procedures to permit the most efficient and economical operation of the Center consistent with effective mission accomplishment;
- Staffing patterns, manpower utilization and control, and personnel administration of the staff of the Center;
- Design, construction, and maintenance of facilities; and
  - Financial management systems and budgetary processes, including incorporation of the Center's function into the planning, programming, and budgeting system of the lead agency.

In addition, the lead agency has responsibilities of a participating department and is represented by a member of the board of directors.

#### Organization Structure

The internal structure of any organization should be tailored to meet the needs of the executive to accomplish assigned objectives in a manner most suitable to his personal experience and capability.

Personalities and individual staff capabilities, physical location of facilities, work schedules, and the extent to which services are obtained from outside sources are all factors affecting organization structure.

No effort has been made, therefore, to design and prescribe an internal organization structure for the Training Center at this point. At such time as the Center Director is on the scene and initial design decisions have been made, the organization and management staff of the lead agency will be available to advise and assist him in the development of an internal structure.

Exhibit "E" identifies the major functions to be performed by the Center and briefly depicts the interrelationships among the participating agencies, the lead agency, the board of directors and the Center.

Further refinement and actual structuring of the organization within the framework will follow the initial decisions.

### Staffing Requirements

Specific detailed staffing requirements in terms of individual positions, grades and qualifications cannot be determined until many other decisions are made. The internal organization structure, for example, will have a definite impact on staffing requirements. Other determining factors include:

- Scheduling and sequencing of training courses and individual classes.
- Individual course decisions on the use of closed circuit TV, programmed instruction and student participation exercises.
- Identification of common courses for advanced, in-service and refresher training.
- Physical layout of classrooms and training facilities.
- Extent to which support services will be contracted out or obtained from other agencies.
- Individual agency needs for Center staff instructors to conduct specialized training.

A gross estimate of the total personnel required to perform all of the functions is 192 positions. The general distribution of these positions among the major functions would be:

- a. 62 instructor positions at GS-12 average \$850,000 per year.

  The identifiable common training will require 75,000 hours of instructor time per year. Experience of other training installations indicates that a maximum of about 1200 hours of actual instruction can be obtained from one instructor, the balance of the time being required for administrative duties, course preparation, student counseling and similar duties.
- b. 30 administrative positions at GS-7 average \$240,000 per year.
  Administration includes maintenance of student records, supply and reproduction services, Center administration, and clerical support for the instruction staff.

- c. 50 food service positions at GS-5 average \$325,000 per year.

  Includes preparation and service of approximately 2,000 meals per day.
- d. 20 dormitory positions at an average of \$4,000 each -\$80,000 per year. Includes cleaning and servicing of 650 to 700 rooms and 325 to 350 baths per day plus care and cleaning of student lounges, hallways, utility areas, etc.
- e. 30 craftsman positions at an average of \$7,000 each \$210,000 per year. Includes operation of utilities, repair
  and maintenance of buildings, maintenance of roads and grounds,
  janitorial services, and other day-to-day facilities operation
  and maintenance.

## Annual Operating Requirements

Various methods of funding the operation of the Center were considered, ranging from a direct appropriation for the total function to a complete reliance on charges to the participating agencies, with many possible combinations of direct funding and reimbursement. Particular attention was given to the problems and advantages of the combination used by the Oceanographic Data Center, which is the nearest comparable operation, funded by direct negotiated contributions for the continuing costs and user charges for individual data requests.

The method selected as most suitable for this particular activity was to rely primarily on direct funding by the agency conducting training with a minimum of reimbursements. The lead agency will request a separate appropriation, through its own budget channels, of funds for maintenance and operation of the physical plant (including operation of the dormitories and meal services), for the salaries and expenses of administering and conducting common training courses (including operation of the laboratories, conducting research in curriculum and training methods, operating the library and other support functions). The participating agencies will pay the salaries and travel expenses of trainees attending the courses, salaries of instructors conducting specialized training for the individual agencies, expendable supplies and equipment used for agency specialized training, and special equipment peculiar to an agency's pro-Reimbursement to the Center will be required only for unique or unprogrammed requirements of an agency for which funds are not appropriated to the Center.

The major reasons for selecting the above method of funding were:

- A single source of funding for common training will help assure
  a uniform minimum level of recruit training for all participating
  Federal law enforcement officials, some of whom receive no formal
  training at the present time. This is consistent with the
  recommendations of the National Crime Commission.
- It will provide a single cost package for common training of Federal law enforcement officials for the special attention of Congress. Congressional groups concerned with Federal law enforcement can better identify the funds involved for such special consideration as is needed.
- A single appropriation will be simpler and less expensive to administer by eliminating the volume of transfer and payment documents required under reimbursement systems. Costs of training for each agency, if needed, can be identified through a cost accounting system without the paperwork required to actually transfer funds.
- The Center staff and the board of directors will be better able to plan the training programs in advance by having only one appropriation to deal with. Rational, effective planning would be virtually impossible if the staff had to negotiate separately with more than 20 different sources of annual funds, each of which would be subject to all of the normal program and financial fluctuations throughout the year as it moved through its own review and control mechanisms.

Legal counsel consulted on the legal aspects of the Center agree, as discussed in Part II, that sufficient authority exists for the establishment of the Center. There are, however, conflicting opinions as to the authority of the Treasury Department to provide the training for other agencies without reimbursement. In order to assure the legality of the use of a direct appropriation, language will be inserted in the request for construction authorization to authorize the Treasury Department to provide the common training.

The initial annual appropriation for the Center will be requested by the Treasury for FY 1970 to provide salaries and expenses of the Center Director and a nucleus staff who will give full time and attention to those matters prerequisite to initiating Center operations at the earliest date.

### Construction of Facilities

The proposed Training Center is a special-purpose facility outside the scope of the Public Buildings Act. An authorization request, therefore, will be requested by the lead agency in its annual legislative program, including the language authorizing the conduct of common training as discussed earlier. Concurrently, a continuing appropriation will be requested covering the "architectural and engineering cost" and the "construction and furnishing cost." The appropriation request will not include the site cost as its location has been determined, and it is presently Government-owned land available for transfer.

GSA will be requested to act as agent for the design and construction of the facility. All design and construction contracts will be made through GSA and funded accordingly.

For the Secret Service and the White House Police, a Washington area location for training facilities is mandatory. The major factor is the need for immediate response to unscheduled, short-notice movements of the principals and response to situations at the White House requiring augmentation of the assigned staff. Training, particularly the repetitive training to maintain high-skill levels of experienced agents, must be scheduled so as to minimize interference with the protective requirements. For example, on several occasions each year, it has been necessary to suspend the training and return the students to their protective assignments for short periods. A number of other factors would support the preference for the Washington area as the most desirable location. However, the response of the protective forces is a mandatory factor.

Several other groups of agents can support the Washington area as the most desirable location. The Park Police, Zoo Police, and Smithsonian Police are all employed in the Washington area so that any other location would require additional funds for travel of trainees to and from the training site. In the three Internal Revenue Service groups and the Postal Inspection Service, law enforcement training must be scheduled in conjunction with training in other functions now provided through the IRS National Training Center and the Postal Service Institute, both of which are in the Washington area. Location of the Law Enforcement Training Center outside the Washington area would require additional travel funds to move the trainees back and forth to complete their training. The last group, the State Department Security Agents, are

need for training to that of the Secret Service protective details, including the ability to respond to short-notice needs in the Washington area, but is too small a force to conduct its own training economically. They can best obtain their training by participating in the Secret Service classes.

The above groups include more than 45 percent of the total law enforcement population participating in this effort. An additional 25 percent presented no overwhelming arguments for any particular location, although most have a preference for the Washington area for reasons such as the availability of headquarters' officials and the ability to make use of other facilities in the area to augment their programs.

The remaining 25 to 30 percent could best be served if the training were provided at other locations:

Park Rangers - All new rangers are assigned to the Park Service

Training Center at Grand Canyon, Arizona, for initial ranger training.

It would be more economical and less time consuming if they could attend a law enforcement training center at the same location, or nearby, where they could complete all of their training before being transferred to their duty assignments. Location of the Law Enforcement Center in the Washington area, or any other area, will require additional travel funds to transport trainees from Grand Canyon to the law enforcement training site and on to their duty assignments.

Immigration and Naturalization Service (INS) - Location of a law enforcement training facility near the Mexican border would have many distinct advantages for INS. New employees are recruited nationally and report at their own expense to their first duty assignments on the Mexican border. They are then sent to the Border Patrol Academy (now located near Brownsville, Texas) for their recruit training.

Unless a change is made in the agency policy to have them report in directly to the Training Center, additional travel funds would be needed to transport them from the Border Stations to Washington, or wherever the Center is located, and back to the Border where they all serve at least their first two years of duty. Additional advantages would accrue from their proximity to the Border where the classroom Spanish could be put to daily use in the area and from the ability to interweave some of the classroom training with actual experience in operating assignments.

Bureau of Indian Affairs - Law enforcement officers, for the Indian reservations not subject to State law, are stationed at 42 agency offices in about 13 States, all west of the Mississippi River. More than 50 percent of the Indian Police are stationed in Arizona and New Mexico. Location of a law enforcement training center along the Mexican border near the Arizona-New Mexico State line would minimize the travel costs for training this group.

In summary, location of a law enforcement training center in the Washington area is required by some of the agencies and desirable for about 45 percent of the total trainees. Therefore, an alternate location should only be considered in terms of a second or satellite center. The

primary advantage of a second or satellite center would be to reduce or minimize the travel costs for three of the groups comprising 27 percent of the recruit workload and less than 10 percent of the experienced agent training workload. Maximum potential savings are estimated to be considerably less than \$100,000 per year. Construction of a second or satellite center would probably result in additional costs of at least \$2 to \$3 million for duplicate facilities and would create some major problems of coordination and supervision. It is therefore concluded that only the one center in the Washington area should be constructed.

At the time of the preparation of the initial submission of the Secret Service request for funds for new ranges and training facilities, a determination was made, based on studies by the Treasury Department and the General Services Administration, that the most suitable site in the area was the Department of Agriculture property northeast of the intersection of the Washington-Baltimore Parkway and Powder Mill Road near Beltsville, Maryland. About 60 acres of that property have been transferred to the Treasury Department for construction of the ranges and motorcade training area. The Department of Agriculture has indicated that sufficient additional Government-owned land adjacent to that property can be made available for the Consolidated Center. Exhibit "F" is a rough map of the area showing the land in question and a blow-up of the specific property being considered.

#### PART VI - FACILITIES AND EQUIPMENT

The Federal Law Enforcement Training Center is conceived as a multiple-building, campus-like facility, designed to enhance the image of the Federal law enforcement officer as a highly trained professional. A quiet, dignified atmosphere conducive to study and learning will be emphasized in the design and layout of the buildings. The architect will be enjoined to incorporate the latest features of educational facilities development consistent with the requirements of the training programs as described in the appendices. Maximum flexibility will be a major goal to assure the capability of adopting advances in educational techniques and training methods as they are developed and validated.

The individual course requirements for recruit training facilities, described in Appendices 1 and 2, were compiled as shown in Exhibit "G" which identifies the total annual capacity of each facility to support the program. Agency needs for planned advanced, in-service and refresher courses, provided by the agencies for Appendix 3, were then added to obtain the total capacity for each type of training facility. Using these summaries as a base, facilities planners were then able to add the necessary community and support facilities to arrive at a total comprehensive statement of the capacities required.

To meet the total planned training requirement, approximately 520,000 square feet of space will be needed in the various types of training and support facilities. Construction of the space, including site work and landscaping, is estimated at \$14.532 million. Architectural and engineering services, including the supervision of construction and allowances for contingencies, is estimated at \$2.681 million. A

breakdown of these estimates into major categories is set forth in Exhibit "H."

The requirements for equipment to support the operation of the Training Center and carry out the training programs will require an initial expenditure of \$860,050. A breakdown of the estimate is set forth in Exhibit "I." This brings the total initial cost of the Federal Law Enforcement Training Center to slightly over \$18 million.

Operation and maintenance of the facility, including utilities costs, operation and minor repair of buildings, maintenance of roads and grounds, cleaning and janitorial services is estimated to be about \$550,000. This does not include the costs of instructors' salaries, administrative expenses, or other costs of conducting instructional programs. The total annual appropriation required to support and operate the Training Center, exclusive of trainee salaries and transportation to and from the Center, is expected to be between \$2.5 million and \$3 million.

The preceding cost estimates have been developed by the staff of the General Services Administration, Public Buildings Service. No allowance has been included for escalation of construction costs, salary increases or other price increases that may occur before construction.

The Government-owned land to be used for the Training Center was described generally in the preceding Part V. The exact acreage is not known at this time as it depends to a large extent on the physical design and layout of the facility which will be developed by a contract architect as soon as funds are available. However, it is not anticipated that more than 200 acres of the total tract available will be required.

## PARTICIPATING LAW ENFORCEMENT AGENTS

## FY 1973-74 Estimates

Agency	Total Authorized Agents	New Agents Annually
Department of Justice		
U. S. Marshals	900	65
Border Patrol Inspectors	1,504	200
Immigrations Investigators	800	40
Bureau of Narcotics and Dangerous Druge	1,174	144
Treasury Department		
Secret Service Special Agents	780	60
White House Police	213	20
Customs Port Investigators	987	180
Customs Agents	451	37
Internal Revenue A&TT Special		
Investigators	1,015	80
Internal Revenue Intelligence		
Special Agents	1,809	125
Internal Revenue Internal Security		
Inspectors	365	40
Department of the Interior		
U. S. Park Rangers	906	102
U. S. Park Police	501	35
Bureau of Indian Affairs		
Investigators	76	14
Indian Police	519	50
Sport Fisheries & Wildlife Game		
Management Agents	200	10
Commercial Fisheries	21	1
Post Office Department		
Postal Inspectors	1,730	200
Department of State		
Security Agents	110	15
Zoo Police, Smithsonian	35	8
	14,096	1,416

## CURRICULUM DEVELOPMENT METHOD FOR RECRUIT TRAINING

Initially, extensive discussions were held throughout the country with many individuals representing all potentially relevant aspects of law enforcement, training and education. All levels of Government were included as well as university, college, vocational training, and consultant organizations related to these fields. Many volumes of literature were reviewed pertaining to educational systems and law enforcement training. Eventually, a "systems approach" was selected as the most appropriate means of developing a recruit training curriculum to provide a sound basis for the identification of training needs and determinations relating to the design of an optimum facility.

The systems approach differs from the traditional subject-oriented approach to training, primarily with respect to the basis upon which decisions are made regarding course content, teaching methods, and the sequencing of instructions:

- Subject-Oriented Approach. Traditionally, it is presumed that the training official, with the advice and counsel of senior operating officials, can identify the subjects which should be taught in a training program on the basis of experience combined with a knowledge of what is currently being taught in existing training programs. The focus is on the instructor and the development of a description of what is to be taught in the course rather than on what is to be learned by the student.
- Systems Approach. Curriculum development begins with the systematic examination of the duties performed on the job by an experienced

statement of the conditions under which they are performed, the frequency in terms of both the job of one individual and the total population of the organization, and the criticality of his proficiency. The task descriptions are then analyzed and a determination made as to which should be learned in a formal training course, through on-the-job training and through experience or assigned reading. The tasks to be learned in a formal training course are then further analyzed and a "terminal performance objective" formulated for each task. The terminal performance objective sets forth a description of the behavior the student must be able to demonstrate at the end of the training to assure that he can perform the task on the job, the conditions under which he must perform, and the criterion by which satisfactory performance will be measured.

The following is an illustration of training objectives developed under each system:

### Traditional Subject Orientation

Provide the student with a

working knowledge of the speedgraphic camera and an understanding of the techniques of
photographing evidence material at the scene of an accident or crime during day or
nighttime hours.

### Student Orientation

Given a speed-graphic camera and a series of accident scenes and crime scenes under varying conditions of light and locale, must be able to take photographs for use as evidence. Eighty percent of the photographs produced must meet the standards of composition and quality set forth in the Training Guide.

An instructional system design diagram published by the Army Security Agency Training Center and School, Fort Devens, Massachusetts, provided the general framework (Enclosure #1). For this project, the "system" was identified as the training subsystem of the law enforcement function. The systems approach was selected for three primary reasons:

- 1. It appeared to offer a most rational, logical approach by concentrating on the needs of the job and the student rather than the traditional focussing on instruction and subject matter.
- 2. The fact that most of the agencies involved had either very minimal or no recruit training programs in operation precluded the usual approach of consolidating existing programs.
- 3. The methods of documentation seemed to provide the only available means by which training objectives could be clearly stated, both instruction and learning could be measurably evaluated, and training could be directly related to the operating jobs as currently performed.

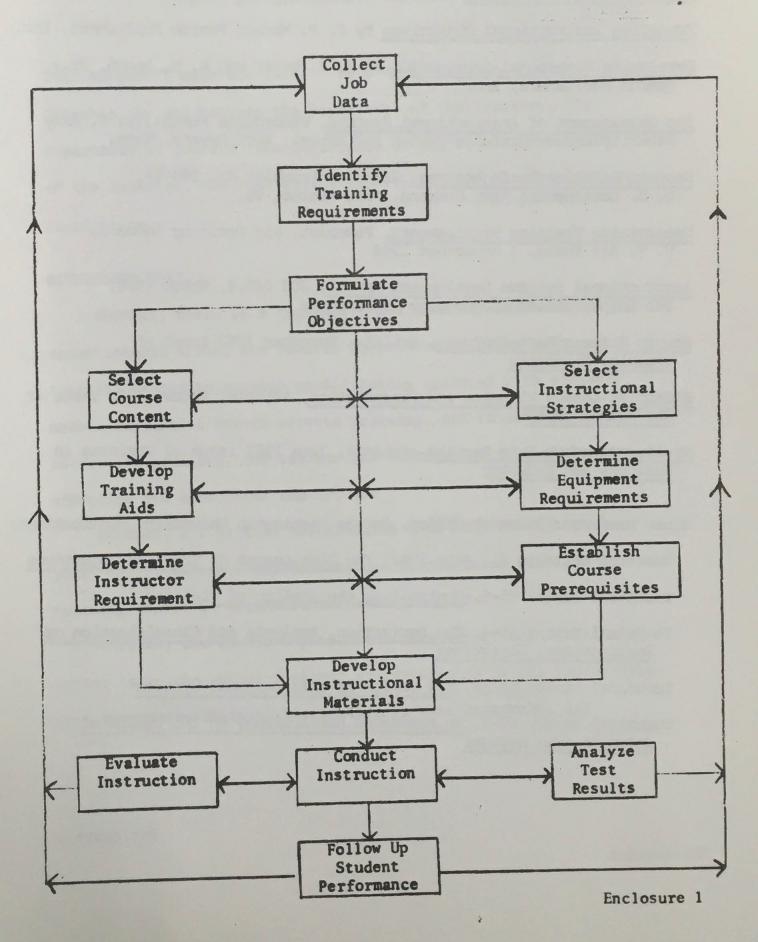
## PROCEDURE

A task force was assembled to undertake the development of a recruit curriculum. Initially, procedures were based on those developed by the Army and Air Force with slight modifications based on other experience and materials from the bibliography (Enclosure #2). Task force membership included educational specialists with and without law enforcement training experience, law enforcement training specialists, operational law enforcement officials, and a consultant educational psychologist from the U. S. Air Force without a law enforcement background but experienced in the appli-

cation of the systems approach in military training programs. Each of the participating agencies designated from one to three representatives, including both training and operational experience, to work with the task force as needed.

Two of the smaller, but representative, law enforcement groups were selected for pilot analyses. One was a police-type and the other an investigative-type unit. This pilot effort provided the task force with a development ground to learn the methodology, formulate definitions and formats for describing the needs, and prepare instruments for the collection and documentation of data which could be used in the other 20 or so groups. It also provided a basis for determining the feasibility of the approach, the time and effort required, and a measure of the effectiveness of the systems approach as compared with traditional subject-oriented approaches.

Upon completion of the pilot effort, each of the participating agencies followed the same procedure, beginning with the analysis of individual jobs and ending with the production of the recruit training Course Outlines published in Appendices 2 and 3. It is expected that the participating agencies will continue with the remaining steps of the Instructional System Design Model in order to modernize existing programs and be prepared to conduct the training when the Center is available for use.



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# INTERAGENCY AGREEMENT FOR THE ESTABLISHMENT AND OPERATION OF A FEDERAL LAW ENFORCEMENT TRAINING CENTER

THIS AGREEMENT made and entered into at Washington, District of Columbia, by and between the Department of the Treasury, the Department of Justice, the Department of State, the Department of the Interior, the Post Office Department, and the Smithsonian Institution.

## WITNESSETH THAT,

WHEREAS, there is a recognized and demonstrated need for the establishment within the Federal Government of a law enforcement training center to provide participating agencies with adequate, modern facilities for in-service training, and to conduct common in-service training, for various law enforcement personnel in an effective and economical manner; and

WHEREAS, all parties hereto agree that only through their joint participation, cooperation, and coordination can such a training center be organized and operated; and

WHEREAS, the earliest possible activation of such a training center is in the public interest as represented by the law enforcement responsibilities of the parties to this agreement; and

NOW, THEREPOR, IT IS MUTUALLY AGREED AS FOLLOWS:

- 1. All parties to this agreement agree to sponsor the establishment of the Federal Law Enforcement Training Center to be (a) physically located in the area northeast of the intersection of Powder Mill Road and the Baltimore-Washington Parkway, Beltsville, Maryland, (b) organizationally assigned to the Department of the Treasury which shall serve as Lead Agency, and (c) operated for the purposes set forth in this agreement.
  - 2. The Federal Law Enforcement Training Center shall:
- (a) Provide the facilities, equipment, and support services necessary for conducting recruit, advanced, specialized, and refresher training for law enforcement personnel designated by the parties to this agreement.
- (b) Conduct common recruit, advanced, specialized, and refresher training for law enforcement personnel of the parties to this agreement.
- (c) Upon request, conduct specialized training for the law enforcement personnel of one or more parties to this agreement, on a reimburseable basis.
- (d) Provide the facilities and student support services necessary for specialized training conducted at the Center by one or more parties to this agreement.

- (e) Conduct research in law enforcement training methods and curriculum content and develop such methods and content for the common training which it conducts for law enforcement personnel of the parties to this agreement.
- (f) Upon request, provide advice and assistance to the parties to this agreement in determining their needs for law enforcement training and in developing curriculum and course content and teaching methods and techniques for the specialized training which they give at the Center.
- (g) Provide dormitories, food service, and support services and facilities for students trained at the Center.
- 3. In order to afford all parties to this agreement an equal voice in the determination of the policies and programs of the Center, there is created a Federal Law Enforcement Training Center Board of Directors.
- (a) This Board shall consist of one member to be appointed by the head of each agency which is a party to this agreement.
- (b) The Center Director shall serve as the non-voting Executive Secretary of this Board, and shall provide the secretarial and support services required by the Board.
- (c) The Bureau of the Budget and the Civil Service Commission are each invited to designate one non-voting member for this Board to provide advice and counsel concerning the functioning of the

Center as a cooperative, interagency, training organization and the Board may invite other organizations to designate additional non-voting members for these purposes.

- (d) The internal organization of the Board, including designation of officers, methods of their selection, and terms of office, shall be established by the Board. The Board shall meet quarterly and at such other times as may be determined by the Board or its presiding officer.
- 4. The Federal Law Enforcement Training Center Board of
  Directors shall have final authority over training policy, programs,
  criteria, and standards of the Center and for resolving matters of
  conflicting training requirements. This authority shall include:
  - (a) Establishment of common training policy.
- (b) Establishment of criteria for identification of training needs common to the various law enforcement personnel of the parties to this agreement.
- (c) Establishment of criteria for, and approval of, training curriculum and individual course content and teaching methods for all common training conducted by the Center staff.
- (d) Establishment of priority systems governing the scheduling of courses and use of facilities.
- (e) Establishment of policy as to student residence requirements, leave, and other matters relating to student administration.

- (f) Approval of a student evaluation system.
- (g) Establishment of criteria for the position of Center Director and approval of the selection of the Director.
- (h) Establishment of criteria for Center staff instructor positions.
- (i) Approval of the Center Budget as to meeting Center mission accomplishment.
- 5. The Secretary of the Treasury agrees to establish the Federal Law Enforcement Training Center for the purposes enumerated above and to appoint the Director of the Center, subject to the approval of the Board of Directors. The Secretary of the Treasury also agrees to assume the responsibility as Lead Agency for providing administrative guidance and support to the Center and for serving as the established point of authority for the implementation of Federal regulations and policies having Government-wide application. All employees on the Center staff will be appointed under the authority of the Secretary of the Treasury and shall be employees of the Treasury Department. Staff offices of the Department of the Treasury will provide support and assistance to the Center staff in the development and periodic evaluation of the following administrative matters for the purpose of permitting the most efficient and economical operation of the Center consistent with mission accomplishment:
- (a) Organizational structure of the Center, its management system, and its administrative procedures.
  - (b) Staffing patterns, manpower utilization and control,

and personnel administration for the Center.

- (c) Design, construction, procurement, and maintenance of facilities and equipment.
- (d) The Center's financial management systems and budgetary processes.
- 6. Center operations will be financed by a separate appropriation to the Treasury Department to be used to pay costs of salaries and expenses for:
  - (a) Center administration.
- (b) Maintenance and operation of the physical plant (including dormitories and dining facilities).
  - (c) Conducting common training courses.
- (d) Operation of the laboratories, library, and other support services.
- (e) Conducting research in law enforcement curriculum and training methods.

Reimbursements to the Center by a party to this agreement will be required only for unique or unprogrammed requirements of that party for which funds are not appropriated to the Center.

- 7. All parties to this agreement agree to furnish the Center with information relating to their training requirements in time for annual budget purposes, and to pay for the following expenses:
- (a) Salaries, travel, and per diem of their personnel attending the Center.

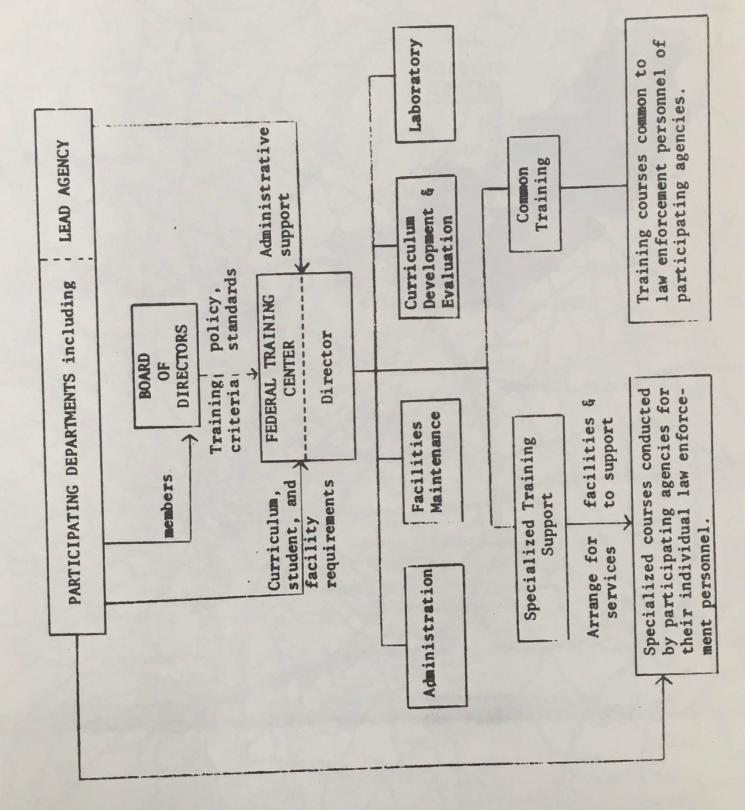
- (b) Salaries of instructors conducting specialized training at the Center for their individual law enforcement personnel and the cost of expendable supplies and equipment for such training, and special equipment unique to such training.
- 8. This agreement shall remain in full force and effect with respect to each of its signatories until terminated by written notice to the parties hereto.
- 9. Additional organizations may become parties to this agreement with the consent of the Board of Directors. Upon becoming a party to this agreement an agency is entitled to all rights of a party hereunder, including representation on the Board of Directors, and is bound by all of the obligations imposed by the agreement.

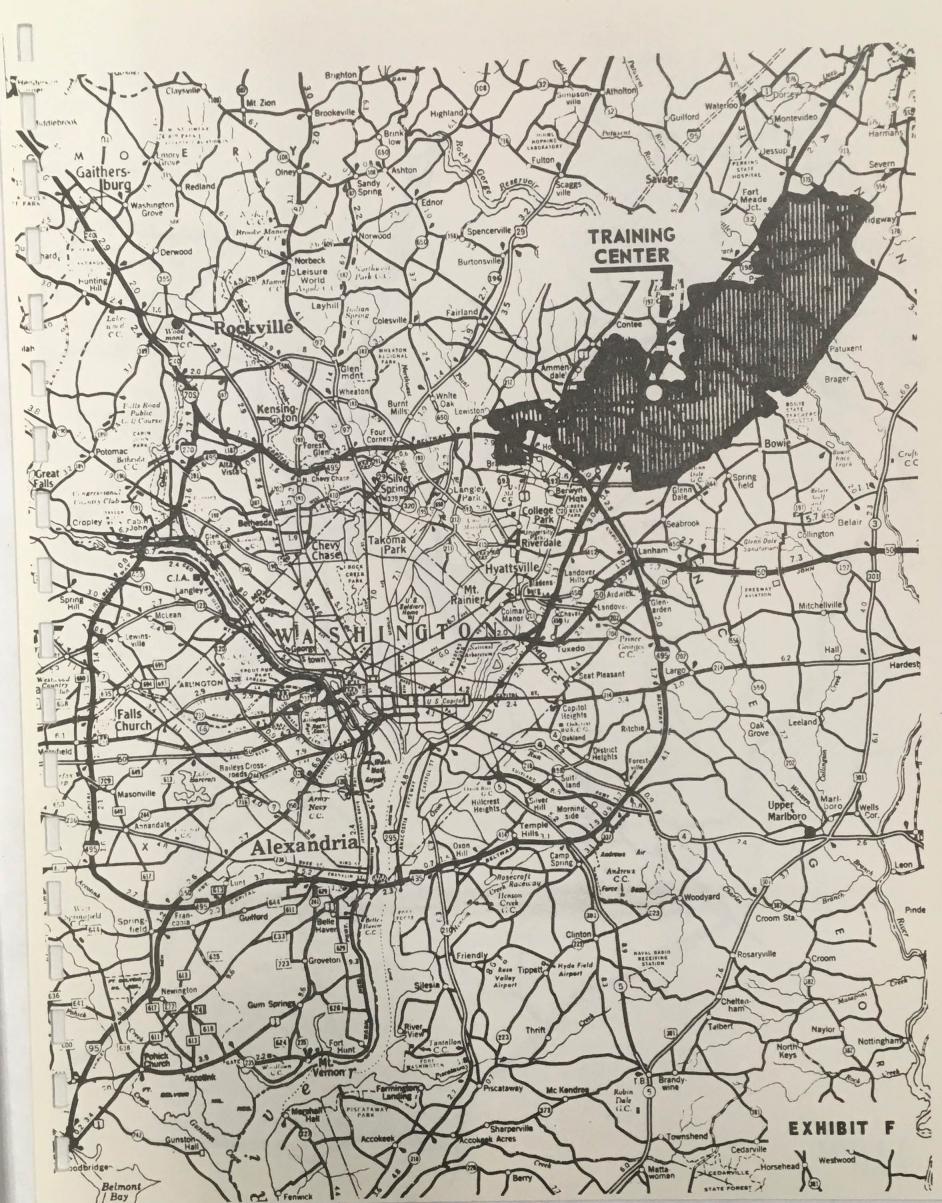
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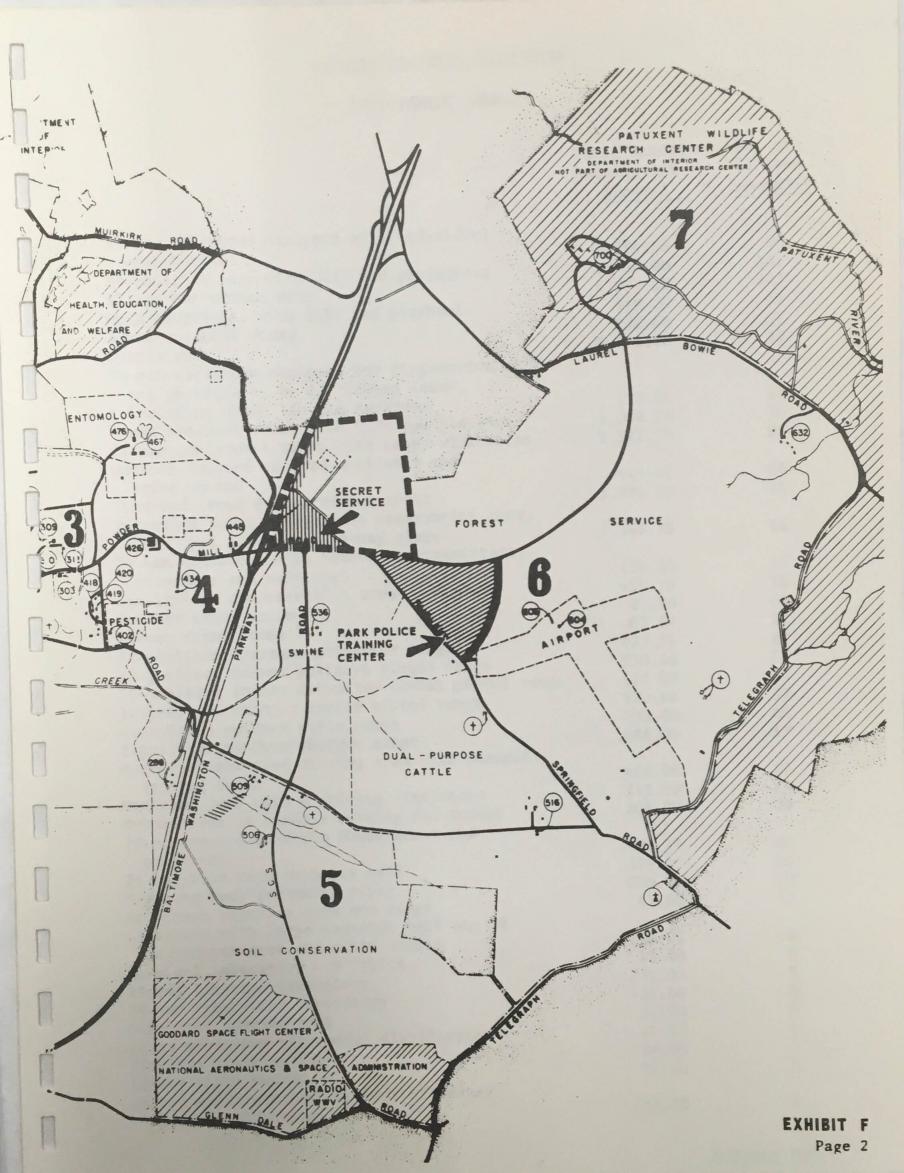
AGENCY
LEAD
Including
DEPARTMENT,
PARTICIPATING

FUNCTIONAL AREA	TRAINING CENTER STAFF		PARTICIPATING DEPARTMENT, Including LEAD AGENCY
COMMON TRAINING Training Policy	Recommend as administering agent. Coordinate recommendations of participating departments and develop proposed statements	Review, modify, and approve.	Recommend.
Training Curriculum	Recommend; consolidate requirements of participating departments and develop proposed curriculum.	Establish criteria. Review and approve curriculum.	Provide Center with requirements for types and degree of common training.
Individual	Dewelop contents and teaching techniques.	Review and approve.	Provide Center with specific subject matter desired in courses.
Scheduling Courses	Prepare schedules based on preferences and special requirements of participating departments.	Establish priority systems required. Resolve conflicts. Approve schedule.	Provide Center with scheduling preferences and any special requirements as to periods to be used for common training.
Student Administration	Administer, house, feed, provide recreation program, instruct and evaluate student performance.	Establish policy as to residence, leave, etc. Approve student evaluation system.	Select students. Pay travel and per diem expenses.  Evaluate student performance after training and advise Center and governing body of results and recommendations for improvement in training process.
AGENCY SPECIALIZED TRAINING TRAINING	Provide, maintain, operate and schedule facilities. Provide student support services. Develop host-tenant agreement with individual user.	Establish policy on scheduling and use of school facilities by participating departments.	Advise Center of facility needs, student workload, and scheduling requirements.  Design and conduct training.  Develop host-tenant agreement with Center.

PARTICIPATING DEPARTMENT, Including LEAD AGENCY	Recommend.	Provide Center with requirements for types and degree of common training.	Provide Center with specific subject matter desired in courses.	Provide Center with scheduling preferences and any special requirements as to periods to be used for common training.	Select students. Pay travel and per diem expenses.  Evaluate student performance after training and advise  Center and governing body of results and recommendations for improvement in training process.	Advise Center of facility needs, student workload, and scheduling requirements.  Design and conduct training.  Develop host-tenant agreement with Center.
	Review, modify, and approve.	Establish criteria. Review and approve curriculum.	Review and approve.	Establish priority systems required. Resolve conflicts. Approve schedule.	Establish policy as to residence, leave, etc. Approve student evaluation system.	Establish policy on scheduling and use of school facilities by participating departments.
TRAINING CENTER STAFF	Recommend as administering agent. Coordinate recommendations of participating departments and develop proposed statements	of policy. Recommend; consolidate requirements of participating departments and develop proposed curriculum.	Develop contents and teaching techniques.	Prepare schedules based on preferences and special requirements of participating departments.	Administer, house, feed, provide recreation program, instruct and evaluate student performance.	Provide, maintain, operate and schedule facilities. Provide student support services. Develop host-tenant agreement with individual user.
FUNCTIONAL AREA	COMMON TRAINING Training Policy	Training Curriculum	Individual Courses	Scheduling	Student Administration	AGENCY SPECIALIZED TRAINING







## RECRUIT TRAINING FACILITIES

## REQUIREMENT SUMMARY

	Total Annual Requirement (Hours)	No. of Classes Annually
24-man classroom equipped with individual		
work booths	1,194.00	66
24-man classroom with CCTV and projectors	8,435.00	107
12-man conference room	9,024.25	103
Mock courtrooms with CCTV and playback	780.25	62
4-man breakout rooms	228.00	57
Gymnasium	5,415.00	57
24-man classroom equipped for fingerprinting		
and photography by 12 two-man teams,		
including photo lab and darkroom	128.25	57
6-man breakout rooms with CCTV and playback	1,056.25	76
12-man conference rooms with large worktables	1,581.50	95
Outdoor mockups of auto accidents and		
crime scenes	444.00	66
Raid and crowd demonstration areas	1,385.00	65
Interview rooms with 12-man observation room,		
CCTV and playback, one-way glass	1,140.75	84
24-man classroom with readers, transmitters,		
recorders and earphones	456.00	57
Demolitions demonstration area	555.75	75
Outdoor crime scene	69.00	60
Indoor crime scene	57.00	57
12-position Crossman projector range	427.50	57
12 mosition indoor bullseve pistol range	570.00	57
12-nosition indoor defensive compat pistor range	570.00	57
12-position outdoor combat pistol range	370.00	57
6-position outdoor rifle range	732.00	60 57
6 position outdoor shotgun range	684.00	3/
4-course defensive driving area with pursuit	656.00	57
driving track	312.00	59
Training room with 6 driving simulators	205.00	79
Automobiles in outdoor setting for search	203.00	,,
24-man room with White House model and	524.25	63
projectors	376.00	62
24-man room with security wall	200.00	10
Training tank (swimming pool)	41.00	14
Watercade practice area and range	41.00	
Classroom with large magnetic wall map of	68.25	6
Washington area and other cities	15.00	6
Chemical laboratory - 8 tables	832.00	8
24-man language laboratory	128.00	8
24-man typewriter laboratory	27.00	3
Cimulated command DOST	45.00	3
Large classroom with model distilleries	24.00	3
Firearms store mockup	12.00	3
Liquor store mockup		
24-man classroom with mockups of vessel,	148.50	9
aircraft and train		

# FEDERAL LAW ENFORCEMENT TRAINING CENTER FACILITIES ESTIMATE

## SCOPE: Construction of all buildings to be as follows:

Masonry exterior walls, reinforced concrete and structural steel framing, flat built-up composition roof, suspended acoustical tile ceiling, resilient floor tile, recessed fluorescent lighting fixtures, air conditioning and gas heating. Site work to consist of clearing course area and provide bituminous paved roadway and parking (650 vehicles) with necessary drainage and exterior utilities, concrete sidewalks, curbs and gutters, seeding and landscaping. Furnish and erect one 40-foot height observation tower and one 25'0" x 40'0" office and training building.

#### GROSS AREAS:

Auditorium Building	28,835 square feet
Administration Building	32,204
Dining Hall	32,280
Shops	13,580
Physical Education Building	42,995
Dormitories	230,145
Education Building	107,850
Special Training Building	31,286
Total Gross Area	519,175 square feet

# FEDERAL LAW ENFORCEMENT TRAINING CENTER DETAILED ESTIMATE

Auditorium Building	\$ 815,500	
Administration Building	834,100	
Dining Hall	831,200	
Shops	285,200	
Physical Education Building	730,900	
Dormitories	5,883,400	
Education Building	2,642,300	
Special Training Building	807,200	
Site Work	1,527,200	
Landscaping - including irrigation	75,000	
Reservoir - (fire prevention)	100,000	\$14,532,000
		<b>414,002,000</b>
Contingencies	1,005,000	
Design and Duplication	1,138,000	
Supervision	538,000	2,681,000
Total Cost		\$17,213,000

## FEDERAL LAW ENFORCEMENT TRAINING CENTER

## EQUIPMENT ESTIMATE

AUDITORIUM	20,000
Projection equipment and screen Stage curtain Conference room furniture Meditation room (chapel) chairs Worship table, etc.	
POST EXCHANGE	24,800
Display cabinets, shelving, fixtures Office furniture and machine Snack bar Barber shop Recreation rooms - pool table, TV, etc. Recreation lounge furniture	
ADMINISTRATION	42,200
Office furniture (35 staff) Desks, tables - instructors (75) Library, furniture, including stacks Dispensary	
DINING HALL	178,000
Kitchen - food preparation (750) Dining room - tables and chairs Staff dining room tables and chairs Staff quarters beds, chair, table, chest	
Equipment and tools Auto shop Grounds maintenance - mowers, etc. Trucks (3)	24,000
	16,250
Gym, baskets, mats, gear Pool, cleaning, diving boards Therapeutic, tables, etc.	

DORMITORIES (3)
Bedroom furniture, linens, etc. (750)
EDUCATION
TV systems - sets, 2 per classroom (50) Labs, photo Classroom furniture Training aids, audio, visual
SPECIAL TRAINING 12,000
Back stops Guns (24) Racks and cabinets Repair shop, benches, tools Crossman range
SPECIAL FACILITIES 40,800
Automobiles, pursuit training vehicles (13) Pick-up truck, specially equipped (1) Visual acuity test equipment Related equipment
FIRE SAFETY
Extinguishers - all facilities
BUILDING OPERATING AND MAINTENANCE 5,000
Polishing machines, scrubbing, cleaning gear
\$860,050





#### DEPARTMENT OF THE TREASURY

# TREASURY DEPARTMENT ORDER NO. 217 (Revision 1)

Establishment of the Consolidated Federal Law Enforcement Training Center

#### 1. Authority and Establishment

By virtue of the authority vested in me as Secretary of the Treasury, including the authority in the Government Employees Training Act, 5 U.S.C. 4101-4118, as implemented by Executive Order 11348 of April 20, 1967, and Reorganization Plan No. 26 of 1950, I hereby reaffirm the establishment of the Consolidated Federal Law Enforcement Training Center as an organizational entity within the Department of the Treasury to function as an interagency training facility, and place it under the supervision of the Assistant Secretary (Enforcement and Operations).

#### 2. Center Functions

The Consolidated Federal Law Enforcement Training Center shall:

- a. Serve as an interagency law enforcement training center.
- b. Provide necessary facilities, equipment, and support services for conducting recruit, advanced, specialized, and refresher law enforcement training for personnel of participating Federal agencies, including:
  - (1) Budgeting for and administering funds for construction, maintenance and operation of the Center;
  - (2) Housing, feeding, and providing recreation programs and administrative services for students.
- c. Provide support, administrative, and educational personnel for common training courses to:
  - (1) Consolidate requirements of participating agencies and develop proposed curricula;
  - (2) Develop content and teaching techniques for courses;
  - (3) Instruct and evaluate students.
- d. As an interagency training facility, provide training to other eligible persons.
- e. Administer the current Treasury Law Enforcement School for as long as that school is found necessary.

## 3. Responsibilities of the Director

Under the supervision of the Assistant Secretary (Enforcement and Operations) the Director of the Center shall:

- a. Exercise responsibilities prerequisite to initiating full Center operations at the earliest date, including the development of detailed plans within the guidelines established by the Congress for the design and construction of Center facilities.
- Be responsible for the effective and efficient performance of the functions of the Center, including
  - Financial management, including planning, programming and budgeting for the Center, and fiscal operations;
  - (2) Administrative management, including staffing and managerial services;
  - (3) Development of the internal organization of the Center, including the designation of subordinate divisions.

## 4. Authority of the Director

- a. The Director of the Center shall have all the authority which has been delegated to heads of bureaus by Treasury orders and other issuances of the Office of the Secretary and which is necessary for the performance of his responsibilities, and the authority to redelegate such authority.
- b. In the absence of the Director, the Deputy Director shall have the authority of the Director.

## 5. Center Operations

The Department of the Treasury is the Executive Agency for operating the Center and serves as the established point of authority for implementation of Federal regulations and policies having government-wide application. Within this concept:

- a. All employees of the Center staff will be appointed under the authority of the Secretary of the Treasury and shall be employees of the Department of the Treasury;
- b. Center operations will be financed by a separate appropriation to the Department of the Treasury to be used to pay costs of salaries, equipment, and other expenses in connection with

- (1) Administration.
- (2) Maintenance and operation of the physical plant (including dormitories and dining facilities).
- (3) Conducting common training courses.
- (4) Operation of the laboratories, library, and other support services.
- (5) Research conducted in law enforcement curriculum and training methods.
- c. The Office of the Secretary will provide staff support and assistance, related to:
  - Organizational structure, management systems, and administrative procedures;
  - (2) Staffing patterns, manpower utilization and control, and personnel administration;
  - (3) Design, construction, and maintenance of facilities; and
  - (4) Financial management systems and budgetary processes, including planning, programming and budgeting.

### 6. Transfer of facilities

The personnel, equipment, records, supplies, and any remaining funds heretofore used or available for use in the establishment of the Center and in the conduct of the Treasury Law Enforcement School are transferred to the Center, without loss of rights or status possessed by such personnel.

## 7. Effect on prior Treasury Orders

This order supersedes Treasury Department Order No. 217 of March 2, 1970, which is hereby rescinded. The Office of Law Enforcement Training established by Treasury Order 147 (Revision 3) is hereby abolished.

Effective date: This order is effective as of July 1, 1970.

Javid m Konne Ez

David M. Kennedy Secretary of the Treasury

Dated: June 30, 1970





# MEMORANDUM OF UNDERSTANDING FOR THE SPONSORSHIP AND OPERATION OF THE CONSOLIDATED FEDERAL LAW ENFORCEMENT TRAINING CENTER

I. This MEMORANDUM OF UNDERSTANDING is between the Department of the Interior, the Department of Justice, the Office of Management and Budget, the Post Office Department, the Smithsonian Institution, the Department of State, the Department of the Treasury, and the U.S. Civil Service Commission.

#### II. INTRODUCTION

- A. There is a recognized and demonstrated need within the Federal Government for a law enforcement training center to provide the agencies with adequate, modern facilities for in-service training, and to conduct common in-service training, for various law enforcement personnel in an effective and economical manner.
- B. All parties hereto agree that only through their joint participation, cooperation, and coordination can such a training center be organized and operated.
- C. The earliest possible activation of such a training center is in the public interest as represented by the law enforcement responsibilities of the parties to this understanding.

#### III. UNDERSTANDING

- A. All parties hereto agree to sponsor the Consolidated Federal Law Enforcement Training Center to be:
- 1. Organizationally assigned to the Department of the Treasury which shall serve as Lead Agency.
  - 2. Operated for the purposes set forth in this understanding.
  - B. The Consolidated Federal Law Enforcement Training Center shall:
- 1. Provide the facilities, equipment, and support services necessary for conducting recruit, advanced, specialized, and refresher training for criminal law enforcement personnel designated by the parties to this understanding.
- 2. Conduct common recruit, advanced, specialized, and refresher training for criminal law enforcement personnel designated by the parties to this understanding.

- 3. Upon request, conduct for the criminal law enforcement personnel of one or more parties to this understanding, specialized training unique to those parties, on a reimbursable basis.
- 4. Provide the facilities and student support services necessary for specialized training conducted at the Center by one or more parties to this understanding.
- 5. Conduct research in law enforcement training methods and curriculum content and develop such methods and content for the common training which it conducts for criminal law enforcement personnel of the parties to this understanding.
- 6. Upon request, provide advice and assistance to the parties to this understanding in determining their needs for law enforcement training and in developing curriculum and course content and teaching methods and techniques for the specialized training which they give at the Center.
- 7. Provide dormitories, food service, and support services and facilities for students trained at the Center.
- C. In order to afford all parties to this understanding a voice in the determination of the policies and programs of the Center, there is created a Consolidated Federal Law Enforcement Training Center Board of Directors.
- l. The Board shall consist of seven members to be appointed from the parties to the understanding as follows: One member each to be appointed to unlimited terms by the respective heads of the Departments of Interior, Justice, Post Office and Treasury; as decided by the Board, one member to be appointed by the head of an additional agency or department with fewer than 500 authorized law enforcement officers who will be appointed for a 2-year term to represent all such departments and agencies; and one non-voting member of the Board each to be appointed to unlimited terms respectively by the Director, Office of Management and Budget, and the Chairman, Civil Service Commission.
- 2. The Center Director shall serve as the non-voting Executive Secretary of the Board, and shall provide the secretarial and support services required by the Board. In the absence of the Center Director, the Deputy Center Director will serve as Acting Executive Secretary of the Board.
- 3. The internal organization of the Board, including designation of officers, methods of their selection, and terms of office, shall be established by the Board; however, the Treasury member will serve as interim Chairman through June 30, 1971.

- 4. The Board shall meet quarterly and at such other times as may be determined by a majority of the Board or its presiding officer. A quorum shall consist of a majority of the voting members of the Board and decisions of the Board shall be by majority vote.
- D. The Board shall have final authority over training policy, training programs, training criteria, and training standards of the Center and for resolving matters of conflicting training requirements. This authority shall include:
  - 1. Establishment of common training policy.
- 2. Establishment of criteria for identification of training needs common to the various criminal law enforcement personnel of the parties to this understanding.
- 3. Establishment of criteria for, and approval of, training curriculum and individual course content and teaching methods for all common training conducted by the Center staff.
- 4. Establishment of priority systems governing the scheduling of courses and use of training facilities.
- 5. Establishment of policy as to student residence requirements, leave, and other matters relating to student administration.
  - 6. Approval of a student evaluation system.
- 7. Establishment of criteria for the position of Center Director and approval of the selection of the Director. The Board also may recommend removal of the Director to the Secretary of the Treasury.
- 8. Establishment of criteria for Center staff instructor positions.
- 9. Review of the Center Budget as to meeting Center mission accomplishment and make budget recommendations to the Secretary of the Treasury.
  - 10. Evaluate the effectiveness of the overall training program.
- E. The Secretary of the Treasury has established the Consolidated Federal Law Enforcement Training Center for the purposes enumerated above and agrees to appoint the Director of the Center, subject to the approval of the Board of Directors. The Secretary of the Treasury has also agreed to assume the responsibility as Lead Agency for providing administrative guidance and support to the Center and for serving as the established

- G. All parties to this understanding agree to furnish the Center with information relating to their training requirements in time for annual budget purposes, and to pay for the following expenses:
- Salaries, travel, and per diem of their personnel attending the Center.
- 2. Salaries of instructors (not Center employees) conducting specialized training at the Center for their individual law enforcement personnel and the cost of expendable supplies and equipment for such training, and special equipment unique to such training.
- This understanding shall remain in effect with respect to each of its signatories until terminated by written notice to the parties hereto.
- I. Additional agencies may become parties to this understanding with the consent of the Board of Directors. Upon becoming a party to this understanding an agency shall agree to the provisions of the understanding.

WalterWiehl	John A Meleliele
Secretary of the Interior	Artorney General

Lege P. Shul

Director

Office of Management and Budget

Postmaster General

Secretary

Smithsonian Institution

U. S. Civil Service Commission

William B. Macomber, Jr.

For the Secretary of State

Secretary of the Treasury





# CONSOLIDATED FEDERAL LAW ENFORCEMENT TRAINING CENTER SINGLE STAGE PROJECT 745 Students (Basic & AIRS) Cost Estimate

Outdoor Firing Ranges and Motorcade Training Area	1,907,000
Special Training Building	1,843,000
Land	250,000
Design, Supervision, Contingencies, Reservations, Construction, etc. of balance of facility	43,713,000
Equipment	3,065,000
Furniture and Furnishings	1,496,000
Motor Vehicles	390,000
	\$52,664,000





#### PARTICIPATING LAW ENFORCEMENT AGENCIES

## September 1970 Estimates

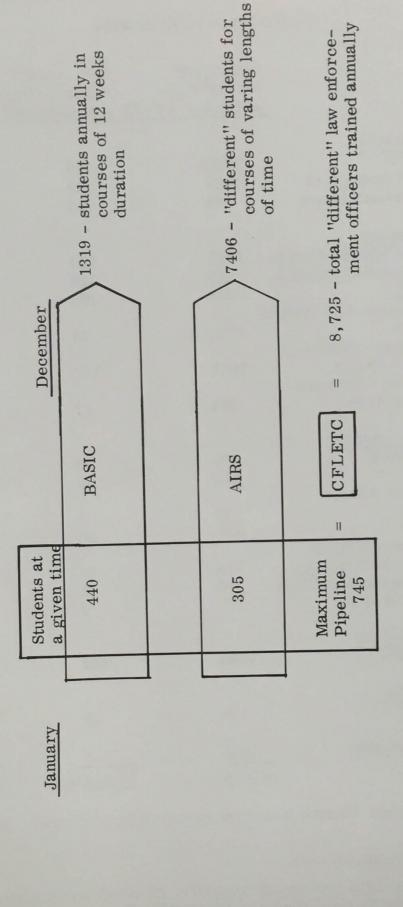
	Authorized Agents Pro- jected for FY '72	New Agents Annually Pro- jected for FY '77	Percentage of Total
Department of Justice			28+
U.S. Marshals	1776	120	
Border Patrol Inspectors	1659	150	
Immigration Investigators	832	100	
Treasury Department			47-
Secret Service Special Agents	1244	120	
Executive Protective Service	829	120	
Customs Agents	972	122	
Internal Revenue - ATF Speci			
Investigators Internal Revenue - Intelli-	1759	80	
gence Special Agents Internal Revenue - Internal	2053	130	
Security Inspectors	356	47	
Department of the Interior			14+
U.S. Park Rangers	700	90	
U.S. Park Police	453	54	
Bureau of Indian Affairs	100		
Investigators	70	4	
Indian Police	676	30	
Sport Fisheries & Wildlife			
Game Management Agents	175	12	
Visitor Protection Specialis		3	
*Commercial Fisheries	25	3	
this a cost of the cost			9+
**Post Office Department	1550	119	ЭТ
Postal Inspectors	1990	119	
Department of State			2-
Security Agents	100	15	
Zoo Police, Smithsonian	31	0	
	15,270	1,319 ***	100

<sup>\*</sup> Now in the National Oceanic and Atmospheric Administration, Department of Commerce.

F-1

<sup>\*\*</sup> Now the U.S. Postal Service.

<sup>\*\*\*</sup>In addition to the 1319 new agents annually, all of whom will take either the Basic Police Recruit or the Basic Criminal Investigation Recruit 12-week training courses at the Center, agents already on-board will be given refresher and specialized training periodically. It is expected the total number of "different" students trained in any given 12-month period will be approximately 8,725.



AIRS BASIC

AIRS - Advanced, In-Service, Refresher and Specialized

Training

student population at a given time.





# ESTIMATED FACILITY USAGE FOR A PEAK WEEK

Facility 1	Hours Usage
48 Breakout rooms <sup>2</sup> (less than 15 men)	2160
32 Regular classrooms <sup>2</sup> (24-30 man size)	1440
8 Large classrooms <sup>2,3</sup> (30-60 man capacity)	198
Aquatic instruction area	45
Unarmed defense <sup>2</sup>	45
Demolition demonstration area <sup>2</sup>	45
Operations center	17
Mock courtroom with CCTV and playback2,4	43
Gymnasium <sup>2</sup>	45
Vehicular accident scenes	41
Raid and crowd demonstration area	23

<sup>&</sup>lt;sup>1</sup>Based on estimates supplied by the participating agencies (excludes usage after normal working hours and on weekends.)

<sup>&</sup>lt;sup>2</sup>Full-capacity usage of 45 hours a week (9 hour days.)

<sup>&</sup>lt;sup>3</sup>The large classrooms are made from two regular classrooms; the 198 total hours usage for large classrooms is included in the figure given for the total hours usage for regular classrooms.

<sup>&</sup>lt;sup>4</sup>The mock courtrooms are made by moving portable furnishings into two regular classrooms; the 43 total hours usage is included in the figure given for the total hours usage for regular classrooms.

Facility 1	Hours Usage
4 interview rooms, each with 12-man observation room, one-way glass, CCTV and playback	25
Classroom with large magnetic wall maps of metropolitan areas	20
Auditorium	4
Bus (for transportation for field trip, etc.)	12
Driving ranges	
Pursuit driving area	26
Defensive and skill driving area	32
Skid pan	4
Training room with driving simulators	4
Vehicular crime scene	43
Student reading room space in library	17
Language laboratory	20

<sup>&</sup>lt;sup>1</sup>Based on estimates supplied by the participating agencies (excludes usage after normal working hours and on weekends.)

 $<sup>^2{\</sup>rm Interview}$  rooms and observation rooms serve as fully-utilized breakout rooms when interviewing is not taking place.





## PROJECT DESCRIPTION FOR THE SPECIAL TRAINING BUILDING

#### I. GENERAL STATEMENT

The design and construction of the Special Training Building is included in Phase III of the Center's development. The two preceding phases consist of the design and construction of outdoor firing ranges and the development of a master site plan. Both of these phases are active.

The building should be designed within the terms of the contract between the architect and GSA. Direct contact can be made between the architect and the using agency if prior arrangements are made with GSA. The overall project will be designed and executed in accordance with GSA design criteria and local building codes in effect as of the date of award of the contract. The project will conform with the recommendations made by the using agency and GSA. In the event of conflict, the architect will request a decision from GSA as to the governing requirements. The design of the facility will incorporate appropriate features to reduce fire hazards and will reflect economy in the initial construction cost as well as in maintenance and operating costs.

This design program is not intended to be inflexible. A variation of plus or minus 5% from the areas and spaces indicated will be allowed. Any change in excess of 5% must be approved by GSA prior to implementation.

#### II. THE SITE

The Consolidated Federal Law Enforcement Training Center will be located at Beltsville, Prince Georges County, Maryland. It will be situated north-east of the intersection of the Baltimore-Washington Parkway and Powder Mill Road. The specific location of the Special Training Building shall be as defined by the master site plan developed under GSA Contract No. GS-03B-10983.

# III. ARCHITECTURAL CHARACTER

The building should be planned to present a pleasing appearance to those using the facility and to visitors. While no specific requirement is being made concerning architectural style, it is suggested that the form of the structure be based on the functions conducted therein and on the physical site conditions. The design concept for this building shall be generally in accord with the master plan design concept established under the contract noted above.

The Special Training Building will be the first building constructed at the Center. When the Center becomes operational, it is intended that this building will accommodate a weapons training program as well as necessary support acitivities for the outdoor firing ranges. Until that time, however, it will provide interim training facilities for the U.S. Secret Service. The space

layout of the building should be based on its ultimate use but consideration should be given to this interim requirement. A list of spaces defining the building's ultimate as well as interim usage is attached.

# IV. DESCRIPTION OF SPACES AND OTHER REQUIREMENTS

The 13,200 sq. ft. Gun Cleaning Area is the largest single area in the building. It will be used for practical exercises in the care and maintenance of weapons including assembly and disassembly. There are no characteristics peculiar to this space, as it will function as an administrative and classroom area for the Secret Service Training School as outlined in the Schedule of Areas. The following paragraphs define some of the specific requirements for this space as it will be temporarily used.

An area of approximately 80 sq. ft. shall be provided to house classified documents and equipment used in connection with the Secret Service Training program. This room shall have a "Top Secret" security level and will be equipped with open shelving and locked files. This room should be situated so as to provide additional visual security from the office and classroom areas. Furnishings for this area are not to be considered a part of the construction contract.

Three classrooms are required, each sized to house 50 students plus an instructor. These classrooms will be planned to allow the working of practical problems between students. It is envisioned that two students will be seated at a work space measuring 30 x 40 inches. Grouping of more than two students at a table is permissible but not desirable.

Two classrooms are to be equipped with a rear projection screen situated so that the projected image will appear at the teaching station. These permanently mounted projection screens may be combined with movable chalkboards. When these projectors are in use, the lighting levels should be capable of being reduced to half the normal intensity. Each screen shall be served by a projection room sized to accommodate slide, opaque and motion picture projectors up to and including 16mm with sound.

A storage area shall be provided for all the items necessary for the operation of the classroom and office areas. Stationery, files, records, etc., will be located in this room. Space should be included in this room for reproduction equipment such as Xerox, mimeograph and azograph machines. The design of the room shall permit catagorizing the items to be stored. It will be used for both bulk and small quantity storage.

# V. CROSSMAN FIRING RANGE

Two 12-position Crossman Projection Ranges will be provided. On the Crossman range, a screen is located at the target line on which an image is projected. When a projectile is fired at the screen, the noise generated by

the firing stops the image projector so that the trainee can identify the point of impact on the image. This training aid is used to develop reflexes and timing.

Complete acoustical separation is required between firing lanes. Lighting and ventilation requirements are therefore particularly critical for this area. Windows will not be necessary when these spaces are used to accommodate the Crossman ranges. During the interim, they will be used as physical training areas to provide instruction in arrest and search techniques and self defense. The wall construction around these rooms should therefore be sufficient to withstand the constant impact of trainees falling or being thrown against them.

#### VI. INDOOR FIRING RANGE

Two 12 position indoor pistol ranges are to be provided. Each will comply with the requirements of the National Rifle Association for similar ranges.

All exposed material within these ranges will be sufficient to contain the projectile fired from a .357 Magnum weapon. The range shall be located physically so as to prevent its becoming a nuisance with respect to other areas. Acoustical conditioning and sound attenuation must be a definite part of its design. Proper ventilation should also receive prime consideration. All target equipment, such as carriers, targets, timers, etc., shall not be considered in the construction contract. The bullet stops, however, will be part of the building's fixed construction. The escalator type bullet traps will be acceptable for this. An adequate means shall be developed for the removal of waste generated by the use of these ranges. Particular emphasis should be given to removing lead since more than a ton is generated on each range by a week's usage.

#### VII. AMMO VAULT

The ammo vault should be readily accessible to the loading dock and be so located that ammunition can be moved conveniently to the two indoor firing ranges. The weight of stored ammo dictates that the vault floor be constructed on grade. The design of the vault shall be in accordance with GSA fire safety criteria and its door shall be secured by a 3-position combination lock.

#### VIII. ARMORY

The Armory shall be used for weapons repair and storage. Thirty-five linear feet of workbench space shall be provided along the walls with drawers and cabinets below and storage cabinets above. The workbench space should be similar in design to kitchen cabinets. Built-in racks with lockable wire cage doors should be provided so as to be readily accessible from a corridor. The Armory should be readily accessible from the loading dock.

#### IX. MAINTENANCE AND CLEANING GEAR

A room shall be provided for the storage of bulk cleaning gear and janitorial supplies. It shall also serve as a locker room for maintenance personnel and as a maintenance shop in which minor repairs can be made on various items of building maintenance equipment. It should be readily accessible from the loading dock.

## X. LOCKER ROOMS, SHOWERS AND TOILETS

Locker rooms, showers and toilets shall be provided in a combined facility. A minimum of 200 student lockers will be provided. A separate locker room should be provided for instructors with 50 lockers. Each student will have a locker of sufficient size to hold his personal belongings and a change of clothing. These may be double-decked. The two locker rooms shall be adjacent to the shower area which will include 25 shower heads and an adequate drying area. Toilet facilities will be determined by the number of personnel expected to utilize the building. Fixture counts will be determined based on established GSA criteria.

#### XI. WOMEN'S TOILET FACILITIES

A women's toilet, lounge and shower facility shall be provided for female employees and possible future female agents. To facilitate fixture counts and other mechanical calculations, assume an average of five women trainees and three women employees.

# XII. MECHANICAL EQUIPMENT ROOM

An adequate space shall be provided to house all mechanical equipment for the building. The following areas will not be air conditioned but will require adequate ventilation: indoor firing ranges, showers, lockers, toilets, mechanical equipment room, maintenance and cleaning gear room and the various storage rooms. A door providing access from the mechanical equipment room to the exterior of the building shall be provided.

#### XIII. SITE WORK AND UTILITIES

Parking for 50 vehicles should be provided

A service area as required will also be provided for handling materials pertinent to the building's operations.

Consideration will be given to providing heating and cooling for the Special Training Building as a part of the Center's central system at a later date. However interim provisions shall be made for heating and cooling.

Fresh water from the local utility company will not be available to meet the initial requirements of the Special Training Building. Therefore, a well shall be drilled. For the same reason, a sewage treatment plant shall be provided, sufficient to meet the building needs for five years.



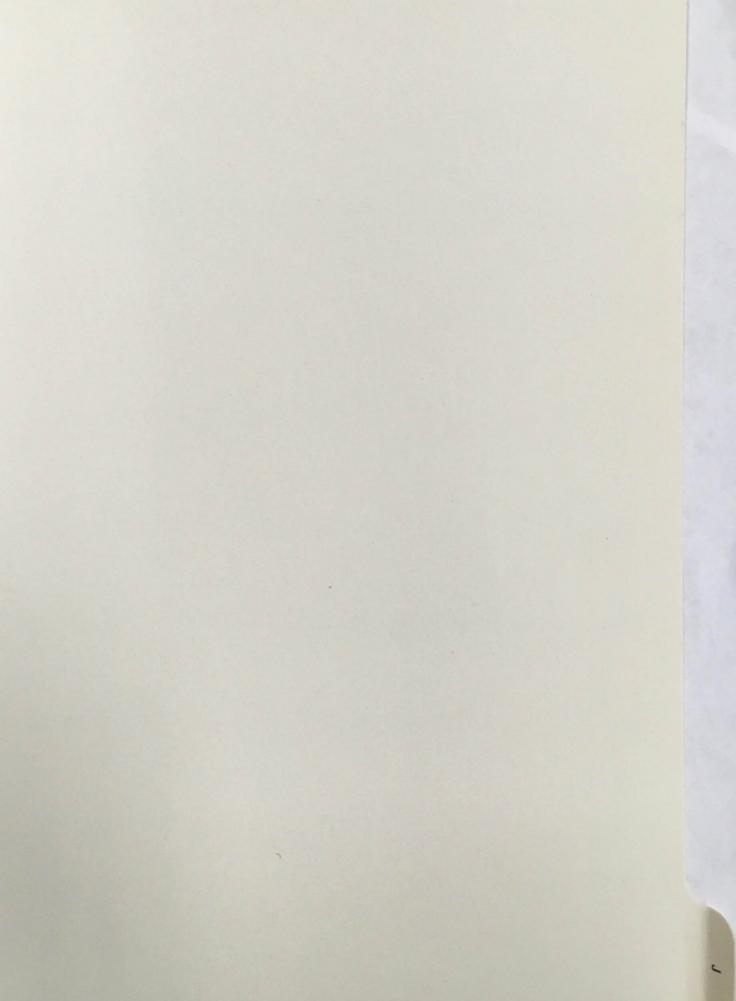


## FIRING RANGES AND THE MOTORCADE TRAINING AREA

The consolidated Federal Law Enforcement Training Center encompasses a modern firearms training facility and the program at Beltsville will consist of the following:

- A. An Indoor Range Facility whose primary usage will be in developing basic marksmanship skills. The facility will consist of two 12 position ranges located in the Special Training Building.
- B. An Outdoor Pistol Range. The primary purpose of this range will be to provide advanced marksmanship training consisting of various practical firearms courses, i.e., Double Action Course, Practical Pistol Course, Running Man Course, Dueling Course and Night Firing Course. This range will accommodate from 3 to 30 students depending on the type of course being fired. (3 Running Man, 4 Practical Pistol Course, 6 Dueling Course, 30 Double Action Course, 30 Night Firing Course) It is anticipated that an additional 30 position range will eventually need to be constructed to accommodate the highest projected student training load. In the interim the range will be operated initially on an 8 hour day basis which will be increased to a 16 hour day as the load increases.
- C. An Outdoor Rifle Range. This facility will provide for developing basic marksmanship skills in the use of shoulder weapons, as well as more advanced courses employing the use of shoulder weapons. It is a 12 position, 100 yard range.
- D. Motorcade Training Area. This range will provide a facility for developing a high degree of skill in criminal investigative personnel assigned to protective missions. The course will require the individual to make judgmental decisions regarding the employment of firearms as well as developing his skill in responding swiftly and accurately to a situation threatening the life of a protectee.

The range facilities and staff, in addition to providing for all firearms instruction for the students enrolled in the basic curriculums will also provide for the firearms training of students enrolled in the Advanced, In-service, Refresher and Specialized (AIRS) Courses conducted by the participating agencies. The facility will likewise be heavily utilized by the participating agencies in meeting their requirements for repetitive requalification of personnel stationed in the metropolitan area of Washington, D. C.





PROJECT NUMBER: 19-0049

(Revised)

PROSPECTUS FOR PROPOSED CONSTRUCTION UNDER THE PUBLIC BUILDINGS ACT OF 1959

# CONSOLIDATED FEDERAL LAW ENFORCEMENT TRAINING CENTER BELTSVILLE, MARYLAND

# 1. DESCRIPTION OF PROPOSED PROJECT:

The project contemplates construction of a Consolidated Federal Law Enforcement Training Center, partly on Government-owned land and partly on land to be acquired.

Approximate Area: Gross - 772,000 Sq. Ft. Net - 587,000 Sq. Ft.

# 2. ESTIMATED MAXIMUM COST OF PROJECT:

						Previous Project	Current Project
a. S	ite, design, management	an	d				
i	nspection					\$ 1,676,000	\$ 4,275,000
b. C	onstruction					15,537,000	43,438,000
c. F	urniture and Equipment					860,000	4,951,000
Total	estimated maximum cost					\$18,073,000	\$52,664,000

## 3. JUSTIFICATION:

A prospectus which proposed construction of a consolidated Federal Law Enforcement Training Center at a total estimated maximum cost of \$18,073,000, was authorized by the Public Works Committees of the Congress in May 1969. This prospectus was based on facility requirements and cost estimates coordinated with an Interagency Steering Committee comprised of representatives of law enforcement and other appropriate agencies. Subsequently, an indepth review and analysis has been made of the approved prospectus and new requirements have been developed. These new requirements, which will provide 480,000 net assignable square feet of space, together with adjustments in previously estimated costs and project scope, have resulted in an increase in the estimated cost of the project and the revised project cannot be constructed within the previously authorized limit of cost.

Significant factors which have contributed to the higher cost are increases in the gross area of the facility resulting from a more complete analysis of training requirements as the basis for defining physical plant needs, costs for extra work which will be required to meet the provisions of new legislation and regulations designed to minimize possible adverse environmental, ecological or demographic effects, including provision for control of air and

PROJECT NUMBER: 19-0049 (Revised)

#### 3. JUSTIFICATION: (Cont'd)

water pollution, and soil erosion. Provision will also be made in the design for acoustical control of high noise level functions, such as firing ranges, and studies have been made to ensure minimum adverse effect of the project on local transportation, housing, and other socio-economic systems in the area.

In addition, the expanded project will provide such additional features as increased exterior lighting, expansion of the road and path networks, changes in the utility systems serving the site, an audio-visual system for both education and protectional purposes, and modifications to the dormitory facilities. There are also added costs for outdoor weapons firing facilities and a motorcade training area which were not included in the authorized prospectus.

The project, as authorized, did not contemplate a cost for land acquisition; however, funds are now included for the purchase of a 47 acre tract of additional land presently in private ownership. Acquisition of this tract will allow the site to be used for the pursuit driving course with the least displacement of vegetation and ecological impact and to be bounded by public highways, enabling the provision of better security.

In addition, the revised authorization is based on the actual and projected increase in the construction cost index from the original estimate in August 1968, to January 1972, the estimated date of award of construction contract.

The justification for the project, as described in the approved prospectus, has not lessened, and the following summation of events is provided to indicate the urgency for this facility.

The Consolidated Federal Law Enforcement Training Center will provide basic recruit, specialized recruit, and advanced, in-service and refresher training for 18 Federal law enforcement agencies. (See Exhibit "A"). Training will be limited to police officers and criminal investigators who carry firearms and have explicit arrest authority as Federal agents. The only major agencies meeting these criteria which will not train at the center are the Federal Bureau of Investigation, the Bureau of Narcotics and Dangerous Drugs, and the criminal investigation units of the military services.

Training facilities of the participating agencies currently are not adequate. In view of the ever increasing skills and techniques required for successful law enforcement, thorough training in the complex disciplines involved is mandatory. This can be best achieved by extensive training in a modern facility where the latest training techniques can be employed.

Many of the recommendations in the Report of the President's Commission On The Assassination of President Kennedy regarding improved Secret Service operations could only be carried out if excellent training programs were offered.

A project was developed because of the pressing need of the Secret Service for training facilities to carry out the required training program. In April 1965, the Committees on Public Works of the House of Representatives and the Senate approved a prospectus in the amount of \$1,349,000 for construction of a United States Secret Service Training Center.

PROJECT NUMBER: 19-0049 (Revised)

# 3. JUSTIFICATION: (Cont'd)

Later, when reviewing budget requests to fund the newly authorized project, particularly subsequent requests for construction funds, the Bureau of the Budget became concerned about the overall training needs not only of the Secret Service but also of the other Federal law enforcement agencies. A study of these needs was conducted by the Bureau of the Budget. The study revealed substantial inadequacies in existing training programs and facilities and focused attention on the critical need for up-to-date training facilities to be used by most of the concerned Federal agencies.

As a result, the Bureau of the Budget formed an Interagency Steering Committee to develop plans for a facility to provide the training required. The concept of the Consolidated Federal Law Enforcement Training Center was a direct outgrowth of the work of this committee. All of the agencies involved agreed that such a center would be the most practical and economical means of satisfying their training needs. By pooling their resources, they could provide better instruction, achieve more effective utilization of a training facility and derive many other advantages from offering common training courses. The use of facilities now being constructed for the FBI Academy at Quantico, Virginia, was considered, but a determination was made that those facilities would be needed to meet the training requirements of the FBI.

Since trainees would be recruited from all over the United States, consideration was given to establishment of two or more regional centers. This was considered impractical, and a concept of a joint training center sharing an estimated cost of \$18,073,000 was presented in a second prospectus. In May 1969, the Committees on Public Works of the House of Representatives and the Senate authorized construction of the proposed Center to house 750 resident students and to supersede the prospectus for the U.S. Secret Service Training Center.

From the funds appropriated since the beginning of the project through FY 1971, approximately \$1,967,000 has been obligated for construction of outdoor firing ranges and a motorcade training area, and for master planning and design of parts of the total center.

The planning to date indicates that a core staff should conduct the common basic recruit training for the participating agencies, carry out research in law enforcement training methods and curricula content, operate and maintain the physical plant and provide necessary support services under the administrative direction of the Secretary of the Treasury. Specialized training peculiar to a given agency should be conducted by that agency in the center facility.

Current planning further suggests the focus of the center should consist of a central structure providing space for administration, classroom instruction, physical training, housing, dining, service, and maintenance. Accessory structures and facilities located at various points on the site would provide for training in weapons firing, crowd control, staging raids, vehicular driving and investigative techniques, and similar courses.

PROJECT NUMBER: 19-0049 (Revised)

## 3. JUSTIFICATION: (Cont'd)

A joint study by the Treasury Department and General Services Administration concluded that the most desirable location for the center would be on a tract of primarily Government-owned land in Beltsville, Maryland. The site is naturally bounded by the Baltimore-Washington Parkway, Powder Mill Road and the proposed outer beltway. It contains a total of approximately 491 acres of which 47 acres are privately owned. Ample room for expansion for the foreseeable future is available in the 491 acre tract. About 61 acres of that property have been transferred to the Treasury Department for construction of ranges and a motorcade training area. The Department of Agriculture has transferred the remaining 383 acres of Federal land to the GSA for the center. Exhibit B is a location map of the area and Exhibit C is a plat indicating the specific property selected.

# 4. ANALYSIS OF PROVIDING SPACE BY NEW CONSTRUCTION COMPARED WITH LEASING:

The alternate method of providing suitable space by leasing privately owned facilities cannot be compared with the proposed installation since there is no suitable rental space available to satisfy this unusual requirement.

# 5. CURRENT HOUSING COSTS:

The current training activities and facilities vary widely in location cost and are difficult to determine. Therefore, these costs are not provided.

# 6. PARTICIPATING LAW ENFORCEMENT AGENCIES:

A list of participating agencies is attached as Exhibit "A".

# 7. STATEMENT OF NEED:

It has been determined that (1) the need for space for the law enforcement activities to be accommodated in this facility cannot be satisfied by utilization of other existing suitable property now owned by the Government and (2) suitable rental space is not available.

Submitted at Washington, D.C. on

11

Recommended:

Commissioner, Public Buildings Service

MAR 3 1 1971

Approved :

Administrator of General Services

# PARTICIPATING LAW ENFORCEMENT AGENCIES

# September 1970 Estimates

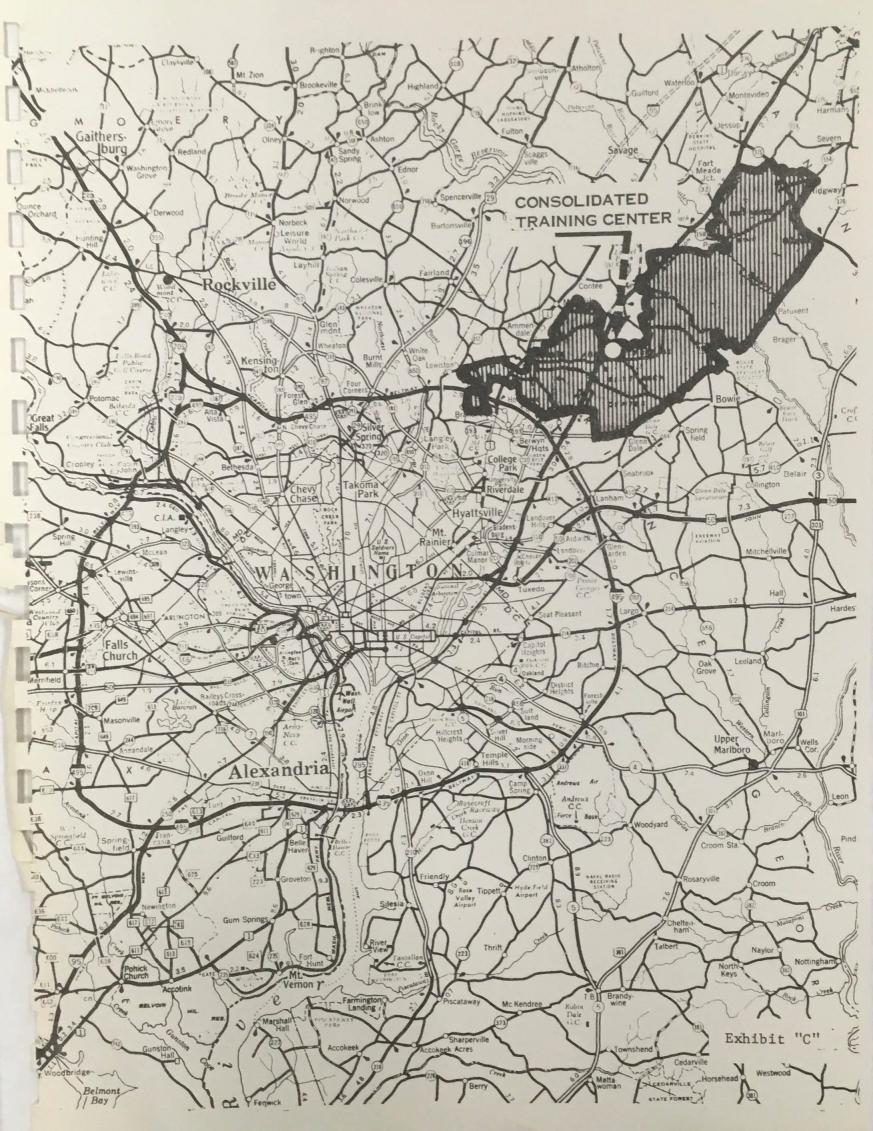
Agency	Authorized Agents 1972	New Agents Annually
Department of Justice U.S. Marshals Border Patrol Inspectors Immigration Investigators	1,776 1,659 832	120 150 100
Treasury Department Secret Service Special Agents Executive Protective Service Customs Agents Internal Revenue - ATF Special	1,244 829 972	120 120 122
Investigators Internal Revenue - Intelligence Special Agents Internal Revenue - Internal Security Inspectors	1,759 2,053 356	80 130 47
Department of the Interior U.S. Park Rangers U.S. Park Police Bureau of Indian Affairs	700 453	90 54
Investigators Indian Police Sport Fisheries & Wildlife	70 676 175	4 30 12
Game Management Agents Visitor Protection Specialists Commercial Fisheries*	10 25	3 3
Post Office Department**  Postal Inspectors  Department of State	1,550	119
Security Agents Zoo Police, Smithsonian	31	0
	15,270	1,319***

Now in the National Oceanic and Atmospheric Administration, Department of Commerce.

Now the U.S. Postal Service.

<sup>\*\*\*</sup> In addition to the 1,319 new agents, all of whom will take either the Basic Police Recruit or the Basic Criminal Investigation Recruit 12 week training courses at the center, agents already on board will be given refresher and specialized training periodically. It is expected the total number of "different" students trained in any given 12 month period will be approximately 8,725.





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